

June Veteran Directed Care Educational Webinar

Frequently Asked Questions

The June Veteran Directed Care (VDC) Educational Webinar was facilitated by the Administration for Community Living (ACL) and the Veterans Health Administration (VHA) with support from the Lewin Group to share reminders and best practices about VDC program policies, including information on hiring and employment, monthly spending plans, claims and billing, operations and enrollment, training and resources, expansion, budget management, and the VDC Employee Wage Tool. Participants during the webinar were given the opportunity to ask questions through the Zoom chat feature and the post-event survey. **Table 1** provides a list of frequently asked questions (FAQs) that were answered during the question-and-answer portions of the webinar. Please refer to the webinar recording posted on [YouTube](#).

Table 1. June VDC Educational Webinar FAQs

Questions	Responses
Hiring and Employment	
<p>a). How long after the Veteran’s authorized representative passes away (if Veteran is not able to make his own decisions) and if the caregiver is the only next of kin, can the caregiver get paid?</p> <p>b). Can the caregiver get paid up to 30 days after the authorized representative passes away?</p>	<p>a). If a Veteran can no longer self-direct and does not have an authorized representative who can manage the program, the Veteran must select a new authorized representative or work with the Veterans Affairs Medical Center (VAMC) VDC coordinator to identify a new plan of care. Because authorized representatives may not serve as paid workers, a caregiver who becomes or remains the authorized representative cannot be paid as the worker.</p> <p>b). There is no existing VA guidance on how long a caregiver may be paid after the authorized representative has passed away. It behooves the next of kin to identify someone to serve as the authorized representative. If this is not possible, the VDC provider, next of kin, and the VA must work together to develop an alternative plan for care. A care coordinator may support the Veteran to approve paid services while an alternative plan for care is being identified.</p>
<p>Guidance on sick pay for direct care workers. Are there forms to fill out for sick pay?</p>	<p>The Paid Leave Guidance resource outlines how a VDC provider may submit an authorized budget amendment to their VDC Program Coordinator to address cost beyond control related to the payment of mandatory paid leave. The VDC provider must notify the VDC Program Coordinator by preparing and submitting a quarterly or as-needed report as an attachment to the Veteran’s spending plan. Appendix B of this resource includes a quarterly report attachment.</p>

Questions	Responses
<p>How might Power of Attorney (POA) affect an individual’s eligibility to receive funds as a caregiver (e.g., a grandchild managing a Veteran’s care has financial POA and is the primary individual who provides care)? If this grandchild found a suitable representative for the “Employer” role, is there any issue with the grandchild then fulfilling the role of “employee” and receiving funds? Does the relationship affect the impact or considerations (e.g., spouse instead of grandchild in example given)</p>	<p>If the Veteran has an authorized representative, or the Veteran is the employer of record, then an individual who holds POA may also be a paid worker. However, an individual cannot be a paid worker while holding POA <i>and</i> acting as the Veteran’s authorized representative.</p>
<p>We are currently providing services to Veterans in VA, MD, PA, NC, SC, WV, USVI, PR, and Washington, D.C. Would you please confirm that we should develop a state specific criminal background policy that includes the Medicaid policy for barrier crimes for each of these states?</p> <p>It is my understanding that if an employee has been convicted of a felony for fraud, abuse, or exploitation of a person of any age or would not be eligible to work in their state or state Medicaid program as a personal care aide, they are not eligible to work as an employee or serve as an employer in the VDC program. Would you confirm that my understanding is correct and that there are no exceptions to this policy?</p>	<p>Yes. VDC guidance supports following each applicable state’s background check and Medicaid/barrier crime rules in addition to the national VDC disqualifiers. A person cannot be hired if the background check identifies a felony for fraud, abuse, or exploitation of a person of any age. State rules may add other disqualifying events. Potential employees and authorized representatives should not be hired until all charges are resolved and the disposition is clear. Where a disqualifying event exists, there is not an exception process for overriding it.</p>
<p>Spending Plans</p>	
<p>Can workers compensation premiums be purchased once on a Veteran’s spending plan, instead of billing at a monthly rate?</p>	<p>VDC invoices reflect actual expenses in the month they are incurred, and spending plans may include both one-time and ongoing costs if approved by the VAMC. Providers should confirm with their VAMC VDC Coordinator how workers’ compensation premiums should be handled.</p>

Questions	Responses
<p>I would like more information about prior authorizations (e.g., lawn care and what is considered a safety hazard with lawns).</p>	<p>The VDC program covers lawn care related to health and safety. Examples include foliage that blocks home entrances, or debris such as glass which may prevent an individual from safely exiting their home.</p>
<p>What types of goods and services are other VDC programs successfully obtaining or authorizing for Veterans through their Spending Plans? We would be interested in hearing examples of creative or effective supports that programs have been able to implement to help Veterans remain safely in their homes and communities while supporting independence, health, and quality of life.</p>	<p>Examples of goods and services obtained by VDC providers and listed in the Office Hour chat include:</p> <ul style="list-style-type: none"> • Dentures • Fire extinguishers • Adult day services • Smoke alarms and radon sensors • Massage therapy for pain reduction • Laminate flooring to replace carpet • Mileage reimbursement for caregivers • Snow removal services and lawn care • Gym club memberships (with doctor approval) • Laptops, printers, and ink to support timesheets and payroll • Temporary increase in care hours following hospitalization or a medical event • Assistive technology and tools, such as lift chairs, ramps, electric gates, a wagon for transporting groceries from car to home • Small electric appliances (i.e., microwaves, toasters) and thermometers to support meal prep
<p>Claims and Billing</p>	
<p>What is the correct process for submitting a claims appeal?</p>	<p>Providers should submit an initial claims appeal to the appropriate VA Regional Payment Operations center, as outlined on the VA Community Care Provider Disputes and Appeals page. For VCA holders, the initial appeal is made to the appropriate Regional Payment Operations center; any further appeal follows the Higher-Level Review process. The provider should also notify the VAMC VDC Coordinator when billing corrections or appeals are needed.</p>
<p>Are you able to provide training from the VA financial team in regard to VA claims and denial codes?</p>	<p>VA training resources are available for community providers on claims submission and tracking, including the Office of Community Care billing resources, Healthshare Referral Manager (HSRM) training, and VA Electronic Claims Administration and Management System (eCAMS) Provider Portal (ePP) guidance. For help with denial codes and claims issues, providers are encouraged to review VA’s billing resources and rejected-claim guidance, monitor claim status in eCAMS ePP, and follow up with their partnering VAMC VDC Coordinator and billing or Office of Community Care staff. If additional technical assistance is needed, providers may contact veterandirected@acl.hhs.gov.</p>

Questions	Responses
<p>How to bill the administrative fee when the new authorization starts after the first of the month? Is it the old administrative rate on the last month of the authorization or is it billed as the new administrative rate as the first month of the new authorization?</p>	<p>The VDC provider should prorate the monthly administrative fee according to when in the month the new authorization begins. For example, if a Veteran’s authorized budget changes on January 15 but their monthly budget started on January 1, the administrative fee should be prorated for 14 days of the previous authorization’s administrative fee plus 17 days of the new monthly administrative fee.</p>
<p>Operations and Enrollment</p>	
<p>Just a wishful request – but that the intake completion deadline be extended to 7-10 days following referral, instead of 5. Five is a very tight turnaround, especially when everyone involved in the Veterans’ care is requested to be present.</p>	<p>Providers should contact Veterans within two business days of receiving the referral and conduct the intake home visit within five business days. However, delays are allowable at the Veteran’s request, and if separate visits are impractical due to Veteran preference, urgency, or geographic distance, providers may discuss alternatives with the VAMC, including conducting intake by phone when both the VAMC and Veteran agree.</p>
<p>Do the VAMCs do a VDC readiness review? It would be helpful if they knew what the providers, spokes, and FMS does.</p>	<p>VAMCs are not required to undergo a VDC Readiness Review but can access informational materials for new providers via the VA SharePoint. VAMCs are provided onboarding materials, including recorded trainings and the VDC Field Guidebook.</p>
<p>With more VAMCs nearing staffing limits and having to implement program capacities, is there anything providers can do to advocate for additional staff for the medical centers?</p>	<p>Providers can help by documenting demand, communicating when referrals cannot be served timely, and using “Unable to Schedule” data appropriately. This information can help VAMCs make a business case for additional staffing. Providers may also share program growth needs, enrollment demand, and continuity-of-care concerns with VAMC leadership to support requests for more staff capacity.</p>
<p>Training and Resources</p>	
<p>Are there any specific training or education requirements from the VA or No Wrong Doors for Coordinators to work in the VDC program after they’ve been hired at a CIL?</p>	<p>New staff are invited to sit in on Readiness Review training, and informational material is available on the VA SharePoint and in the VDC Field Guidebook. VA’s Community Care Provider Education and Training Resources provides information on educational opportunities for VA community providers. VDC providers must create an account on the VHA TRAIN website. Reference the How to Create an Account in VHA TRAIN for instructions on creating an account.</p>
<p>Expansion</p>	
<p>a). We would like to expand our VDC program, but our VAMC that holds our VCA said they are not interested in adding more Spokes and said they are at capacity in increasing their caseload (25).</p> <p>b). As a Hub, can we hold multiple VCAs?</p>	<p>a). The VA Central Office is encouraging home- and community-based (HCBS) services, particularly in personal care services and VDC. The intent is to raise the visibility of VDC and encourage VAMCs to revisit their VDC programs with an eye towards expansion.</p> <p>b). VDC providers are only required to hold one VCA with one VAMC but can work with multiple VAMCs under the VCA.</p>
<p>Budget Management</p>	

Questions	Responses
<p>What is VDC’s guideline in implementing the fiscal yearly VA budget? In our area, when the VA releases the new VA fiscal VDC budget calculator, we do a review for all our Veterans and issue new VA authorizations for the new fiscal period (10/1-09/30). I have heard from FMSs that another way VDC providers handle it is by updating the Veteran’s budget on the date of their enrollment anniversary. Does that mean the VA issues a 12-month authorization from the date of enrollment? Our authorization periods are from date of enrollment through 09/30 of that year.</p>	<p>There is no recommendation to update all authorizations at the start of the fiscal year (10/1). VDC providers should review reauthorizations and update rates upon the reauthorization of the Veteran. Providers should review new authorizations for updated rates and work with their VAMC to confirm how and when spending plans and budgets should be updated.</p>
<p>How are other VDC programs accounting for mandatory employer-related expenses, such as employee health insurance or benefit elections, within the Veteran’s global budget under the Agency With Choice model? We have encountered situations where Veterans exceed their budget despite remaining within their authorized service hours because Care Attendants elected employer-provided benefits. We would be interested in understanding how other programs are budgeting for these variable employer costs, educating Veterans about them, and preventing unintended overages.</p>	<p>The materials state that employer-related costs should be built into the spending plan. Veterans may offer healthcare benefits if those costs can be accommodated within the budget. Providers should educate Veterans that benefit elections and similar employer costs directly affect available service hours and should be estimated in the labor section of the spending plan, then monitored through monthly service reports so spending stays within the authorized global budget.</p>

Questions	Responses
<p>How are other VDC programs managing and monitoring budget overages overall? Specifically:</p> <p>How frequently are programs encountering overages?</p> <p>What systems or processes are being used to monitor utilization against the global budget throughout the authorization period?</p> <p>Are there best practices for proactively preventing overages while still maintaining participant choice and flexibility?</p> <p>How are programs balancing monthly utilization guidance versus the reality of the 12-month global budget model?</p>	<p>Guidance in the VDC Operations Manual Template states that VDC providers keep a monthly record of their Veterans’ monthly expenses and share it with their VAMC partners; at a minimum, this should include the average Veteran monthly budget; monthly administrative fees; amount spent on goods and services in the month; amount spend on emergency back-up care and planned purchases; and amount of total Veteran budget for authorizations spent and remaining to date. This monthly service report helps monitor expenses month-to-month and allows VDC providers to proactively plan for expenditures with Veterans.</p> <p>The VDC Billing Guide lays out guidance for the Remediation Training and Termination Policy that VDC providers are responsible for implementing to support Veterans who consistently spend over their average monthly budget and are at risk of exceeding their authorized budget prior to the end of their authorization period. The VDC provider is responsible for developing a plan with the Veteran to align spending with the average monthly amount and should continue to review spending with the Veteran monthly. If overspending continues after remediation training, the VAMC VDC Coordinator should work with the Veteran to determine a different VHA program that better meets their needs.</p>

Questions	Responses
<p>How are other VDC programs balancing budget utilization during periods of hospitalization, rehabilitation, or other inpatient stays?</p> <p>We have found that these interruptions in service can significantly impact overall budget utilization and long-term planning within the Veteran’s global budget period.</p> <p>We would be interested in understanding how other programs approach these situations operationally and clinically.</p> <p>Specifically:</p> <p>Are programs primarily treating this as a utilization and forecasting issue, or are there broader strategies being used to support long-term success? What approaches have been effective in helping Veterans and Authorized Representatives better manage hours and budgets following hospitalizations or rehab stays?</p> <p>How are programs handling situations where care needs increase after discharge, but the Veteran must still remain within the existing global budget?</p> <p>Are there successful education, monitoring, or planning strategies that help reduce overages or underutilization related to inpatient admissions?</p> <p>How are programs balancing flexibility and participant choice with financial sustainability and compliance expectations?</p>	<p>Per the VDC Billing Guide, when a Veteran is admitted to an inpatient setting, the VA reimburses the full administrative fee for the month when the Veteran was admitted and any month the Veteran receives personal care services. The Veteran’s budget is not pro-rated as a result of an inpatient submission. A change in the Veteran’s case-mix rate can be authorized and approved by the VAMC if the Veteran’s needs change. For an inpatient stay that continues beyond 15 days, the Veteran shall be placed in an inactive status starting the month after the 15th day of the inpatient stay, at which time all payments to the provider shall cease until the Veteran’s status is reactivated by the VAMC. The VA may discharge the Veteran from the VDC program if the VAMC VDC Coordinator determines that VDC is no longer clinically appropriate.</p> <p>After discharge, VDC providers should reassess the Veteran’s needs to determine if a change in the case-mix rate is necessary and work with their VAMC to make any needed changes.</p>

Questions	Responses
<p>Monthly Budget Management – One of the VAs we work with has begun managing budgets on a month to month basis and is requesting that providers place Veterans on risk mitigation whenever they exceed their monthly budget, even if they remain well under their annual allocation. Is this a new policy, and if so, will additional written guidance be issued to clarify expectations around monthly budget management versus the traditional annual (global) budget approach?</p>	<p>The VA does not recommend implementing a risk mitigation strategy after a single month, due to the level of effort and time required to do so; however, the Veteran should primarily follow the monthly spending plan.</p>
<p>Are Veteran monthly spending limits strictly capped at the "Average Monthly Veteran Budget" listed on the VA welcome letter, or is it just a matter of managing the global budget and making sure Veteran spending does not exceed the Total Veteran Budget for SEOC? (What written criteria is there to support the answer to this question?)</p>	<p>Per the VDC Billing Guide and the VDC Operations Manual Template, Veteran spending in a given month may exceed the average monthly case-mix rate so long as all spending is documented in the approved spending plan and does not exceed the Veteran’s total authorized budget.</p>
<p>If a Veteran does not use a month or more of their Total VA Obligation for SEOC, is that part of their budget lost to them, or can they work it into their remaining budget for the remainder of their SEOC?</p>	<p>Per the VDC Billing Guide, Veteran authorizations cover specific time periods and vary by VAMC. Most VAMCs send Veteran authorizations for twelve-month periods, and under such authorizations, unused funds are not lost month to month. However, unused funds cannot be utilized for a new authorization period once the current authorization period has ended.</p>
<p>VDC Wage Workbook Tool</p>	

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<p>Has ACL or Lewin Group presented the VDC Wage Workbook and Tool to VDC Coordinators on any level? Currently, our VDC Coordinator at Rocky Mountain Regional VAMC is unwilling to remove the cap she has placed on employee wages due to not receiving any guidance about this tool from what she calls "national". She has stated it is her guidance to use her discretion to cap wages as she sees fit which is currently \$23/hour for all employees in the Denver metro area. This is well below anything the tool has shown for any category of employee. Any grievance that has been made about budget authority is quickly dismissed. Would Dan Schoeps be willing to address this?</p>	<p>The VDC Wage Workbook and Tool is a reference tool only and is not required for use by any VDC providers, VDC programs, VAMCs, or VDC Coordinators. It will not replace any existing resources. Both VDC providers and VAMC VDC coordinators have received a presentation on the VDC Wage Workbook and Tool.</p>
<p>Our local VA Coordinator has a set a wage cap for caregivers that fall below the wage range presented in the Wage Tool. Was this tool developed in direct collaboration with, or vetted by, the VA? Is there specific VA National guidance or a point of contact you recommend we reference to support the use of this tool in discussions?</p>	<p>The VA cannot set wages, and unless there's a change in a Veteran's condition, the monthly spending plan as approved should be followed. Rates and wages for workers depend on the type of care that the Veteran's worker is providing.</p>
<p>Are VDC rules up to the translation and customizable understanding of each VA VISN or VDC Coordinator? For example, can a VISN implement their own rules on things like limiting monthly spending for a Veteran, even if it means that the Veteran does not have access to their full VA-obligated SEOC budget, as calculated in their case mix rate?</p>	<p>Although local VAMCs and VISNs have a degree of operational discretion, this discretion does not override national VA policy or guidance. The VDC Billing Guide outlines that 1) All spending be allowable; 2) Spending is documented in the approved spending plan; and 3) Spending should not exceed the Veteran's total authorized budget. Veteran spending in a given month may exceed the average monthly case-mix rate, so long as all spending is documented in the approved spending plan and does not authorize the Veteran's total authorized budget.</p>

Questions	Responses
<p>What matter or recourse is there if a VISN insists on a new VDC policy that is limiting or preventing a Veteran from accessing their full VA obligation of VDC funding, but that VISN cannot show any written example of that policy existing at the National VA level?</p>	<p>If a local VISN or VAMC practice appears to conflict with national VDC guidance, the provider should first request the written policy and work through the issue locally with the VAMC VDC Coordinator and Office of Community Care staff. National guidance states that Veteran spending may exceed the average monthly amount if it is included in the approved spending plan and does not exceed the total authorized budget, and VAMCs are not required to reimburse spending outside the approved plan or authorization. If the issue cannot be resolved locally and affects payment or access to services, providers may use VA’s disputes and appeals process for payment decisions and may also contact veterandirected@acl.hhs.gov for technical assistance.</p>

FAQ Resources

For more information on topics raised during the June Educational Webinar, please see links to additional resources and previous webinars on VDC policies, billing and invoicing procedures, paid leave laws, and more.

Overview of VDC Policies and Procedures

- [VDC Operations Manual Template](#): Information about VDC program operations for ADNAs, aimed at informing the development of a VDC provider’s VDC operations manual
- [VDC Readiness Review Overview](#): Information on the Readiness Review process, including requirements to demonstrate understanding and required deliverables to complete the process and additional information on program delivery models.

Billing and Invoicing

- [VDC Billing and Invoice Guide](#): Guidance on billing and invoicing procedures to assist with and ensure timely and accurate reimbursement for VDC invoices
- [VDC Spending Plan](#): Spreadsheet template to help Veterans outline how they intend to use their VDC budget and estimate spending during their authorization period
- [Fiscal Year \(FY\) 2026 VDC Budget Calculator](#): Spreadsheet used to locate VDC case mix rates by state, county, and case-mix level for new referrals and re-authorizations.
- May 2023 Office Hour on billing and invoicing procedures and authorized budgets: [PowerPoint](#), [Recording](#), and [FAQ](#)
- April 2023 Office Hour on spending plan development, initiating services, and hiring workers: [PowerPoint](#), [Recording](#), and [FAQ](#)

FMS Policies

- [VDC Wage Workbook and Tool](#): Spreadsheet that provides recommended Veteran employee wage range estimates for three VDC service categories (Personal Care, Homemaker, and Environmental Support) by geographic area and employee age range for 2024 to 2026

- [New VDC Financial Management Service Requirement for Hubs and Sole Proprietors](#): Document provides new requirements for Financial Management Services (FMS) for new and current VDC providers effective as of December 4, 2025.

VDC Data Collection and Reporting

- [VDC Monthly Reporting Tool](#): Use this form to submit your program's data at the end of each month and help the VDC Technical Assistance Team track the program's impact
- [Veteran Success Stories Form](#): Share inspiring VDC success stories ranging from Veteran experiences in VDC enrollment, promising practices for VDC providers, and stories of success from Veterans receiving VDC services

VDC Updates

- [VDC Technical Assistance \(TA\) Community](#): VDC providers can share peer-created resources, join in on discussions, and get information on events related to VDC on the VDC TA Community. Create an account at www.ta-community.com
- [VDC Newsletters](#): Archive of VDC Newsletters, sent monthly to provide important updates to the VDC program network
- [VDC Email Distribution List](#): Subscribe to receive important updates on the VDC program