



# Veteran's Copayment Responsibility for VA Health Care Frequently Asked Questions

## What are my options if I am unable to pay my full copay charges?

There are multiple options available to help make paying your current copay charges more affordable, or to eliminate them.

- **Repayment Plan:** You have the right to establish a monthly repayment plan at any time during your enrollment in VA health care if you cannot pay your debt in full. To do so, submit a completed Agreement to Pay Indebtedness (VA Form 1100) found at: [www.va.gov/vaforms/va/pdf/VA1100.pdf](http://www.va.gov/vaforms/va/pdf/VA1100.pdf). Indicate your proposed monthly payment amount in paragraph 1A. Include your first payment with the completed form. Make check or money order payable to "VA" and include the account number and payment stub.
- **Waiver Request:** You also have the right to request a waiver of part or all of your debt. If the waiver is granted you will not be required to pay the amount waived. To do so, submit an explanation and a completed Financial Status Report (VA Form 5655) found at: [www.va.gov/vaforms/va/pdf/VA5655.pdf](http://www.va.gov/vaforms/va/pdf/VA5655.pdf). Your explanation should include why you are not responsible for the debt and any undue hardship the payment of the debt would cause you. You have the right to request a hearing in connection with your request for a waiver. To do so, submit a written request for hearing with your waiver request. VA will notify you of the date, time and place where the hearing will be held.
- **Compromise:** You have the right to request a compromise. A compromise means you propose a lesser amount as full settlement of the debt. To request a compromise, submit your request in writing to VA, specifying the dollar amount you are proposing VA should accept as payment in full, and a completed Financial Status Report (VA Form 5655) found at: [www.va.gov/vaforms/va/pdf/VA5655.pdf](http://www.va.gov/vaforms/va/pdf/VA5655.pdf).

## What are my options if my household income has decreased and I will be unable to pay future copay charges?

If your gross household income has decreased from the previous income year you may be eligible for a Hardship Determination which provides future exemption from medical and hospital care copays for a determined period of time. To file request a hardship determination, send a letter explaining any financial hardship these charges will cause you and a completed Request for Hardship Determination (VA Form 10-10HS) found at: [www.va.gov/vaforms/medical/pdf/vha-10-10HS.pdf](http://www.va.gov/vaforms/medical/pdf/vha-10-10HS.pdf). If your gross household income has decreased, you may be eligible for enrollment in a higher Priority Group which may qualify you for copayment exemption. Submit a completed Health Benefits Renewal (VA Form 10-10EZR) found at: [www.1010ez.med.va.gov](http://www.1010ez.med.va.gov) to update your financial information.

### **When does my debt become delinquent?**

Your balance is considered delinquent if it remains unpaid after the balance due date on your initial billing statement, which is typically thirty (30) days after the statement date.

### **What happens once my bill becomes delinquent?**

If your bill remains delinquent for ninety (90) days, any current or future VA benefit payments you are entitled to will be reduced or "offset" in order to satisfy the overdue debt. If you fail to make a payment on your debt before it reaches one hundred twenty (120) days delinquent, (150 days from initial billing statement date), accounts without VA benefits available for offset will automatically transfer to the Department of the Treasury Cross-Servicing Program.

### **Can I still make payments on my debt once it is sent to Treasury?**

Once your bill has been referred to Treasury VA can no longer accept payments on the debt. You can continue to make payments on any bill that has not been referred to Treasury. If you make a payment online it will be applied to any outstanding balance not at Treasury. If no additional debt exists with VA, the payment will be applied as a credit balance and refunded after 60 days, unless a refund is requested sooner. To pay a bill that has been referred to Treasury, contact Debt Management Services toll free at (888)-826-3127 between 8:00AM to 10:00PM EST, Monday through Friday to speak with a representative.

### **Will I be able to continue receiving health care services if my bill is referred to Treasury?**

Yes. Your health care services will continue without interruption regardless of whether your bill is referred to Treasury.

### **What happens once my bill is referred to Treasury?**

The Treasury Cross-Servicing Program consists of a standard collection process, including:

- **Treasury Debt Collection** – Treasury issues the official Treasury collection letter and attempts to contact you by searching various databases, making telephone calls and sending additional collection letters.
- **Treasury Offset Program (TOP)** – Treasury identifies debtors in the federal database and will offset (reduce or withhold) any federal payments to pay the debt, including: tax refunds, Social Security benefits, military pay, retirement pay, and other federal payments that are not exempt by law or by action of the Secretary of the Treasury.
- **Administrative Wage Garnishment (AWG)** – Treasury identifies eligible debtors who have been employed for at least 12 months. Treasury will provide appropriate due process and issue notice to the employer to deduct up to 15% of disposable pay each pay period until the debt, including all interest, penalties and costs, is paid in full.
- **Private Collection Agency (PCA)** – Once Treasury has exhausted efforts to collect debts internally, accounts are referred to contracted PCAs to make additional attempts to find and contact you by searching various databases, making telephone calls and sending collection letters.

### **Why is the VA referring my delinquent debt to the Department of the Treasury?**

In 1996, due to a steady increase in the amount of delinquent non-tax debt owed to the United States, Congress passed the Debt Collection Improvement Act (DCIA) of 1996. This law centralized the government wide collection of delinquent non-tax debt and gave the Department of the Treasury significant new responsibilities in this area. If Federal agencies are not successful at collecting a debt, they are required under the Digital Accountability and Transparency Act (DATA) of 2014 to refer eligible delinquent non-tax debt to TOP for debt collection action within 120 days.

**Will I pay additional fees if my bill is referred to Treasury?**

Yes. You will incur collection fees from Treasury based upon a percentage of your outstanding bill(s) and length of time outstanding. Treasury charges a 28% fee for debts less than 2 years delinquent and a 30% fee for debts over 2 years delinquent. Treasury collects the fees from each payment made and applies the remaining amount to the debt balance. In the event the debt is recovered through TOP, a fee is charged per transaction. TOP has a tiered fee schedule based on the type of offset e.g. salary, social security. The fees currently range from \$15 to \$27 depending on what is being offset.

**EXAMPLE:** If you make a \$1,000 payment to debts less than 2 years delinquent, \$280 dollars will be applied for Treasury fees and the remainder (\$720) will be applied to the debt balance. For each transaction made to recover the debt through TOP a fee of \$15 - \$27 is applied.