# Vocational Rehabilitation Services Manual Section D-200

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## Notes on the Manual

On October 1, 2017, Texas Workforce Commission’s Blind Services Division and Rehabilitation Services Division combined to create a single designated state unit (DSU) to administer the vocational rehabilitation program for Texans with disabilities.

The combined Vocational Rehabilitation Services Manual (VRSM) was initially published on October 1, 2017. The latest update to this manual is reflected in the chapters below.

Please note that VRSM includes links to information that is intended to provide additional decision-making supports to VR staff. Some of this information may not be available to individuals who are accessing the VRSM outside of TWC's firewall. Copies of materials that cannot be accessed directly through links can be made available upon request.

Substantive revisions to the content are noted in the VRSM List of Revisions. Any printed versions may not contain the latest policy changes.

If you have any questions about VRSM content, please contact the TWC Vocational Rehabilitation Division Policy Team at state office by sending an email message to [vrsm.support@twc.texas.gov](mailto:vrsm.support@twc.texas.gov).

## Manual Overview

The VR Services Manual:

* helps ensure VR customers receive quality services to assist them in achieving successful competitive integrated employment outcomes as a result of their participation in vocational rehabilitation services.;
* helps to ensure taxpayer funds are spent wisely and each purchase paid for with public funds represents full value to the taxpayer; and
* provides published policies and procedures for maintaining compliance with federal and state laws, statutes, and rules or regulations.

The latest update to this manual is reflected in the chapters below. Any printed versions may not contain the latest policy changes.

# Vocational Rehabilitation Services Manual D-200: Purchasing Goods and Services

## Introduction to Purchasing

This chapter describes the requirements for purchasing goods and services for the Texas Workforce Commission's (TWC) Vocational Rehabilitation (VR) customers.

For information on unique or additional purchasing requirements (such as approvals, consultations, and specific documentation), see the section relevant to the service (for example, sections on assistive technology or medical services).

This chapter, along with other chapters of the Vocational Rehabilitation Services Manual (VRSM) and the VR Standards for Providers (VR-SFP) manual, establishes statewide operating procedures for VR programs that:

* define services and service limitations; and
* support the highest compliance with federal and state law through:
  + best-value purchasing;
  + use of comparable benefits;
  + customer participation in the cost of services;
  + documentation in ReHabWorks (RHW) and/or the customer's paper case file;
  + informed customer choice;
  + professional and ethical obligations;
  + provider and facility qualifications; and
  + the individualized plan for employment (IPE).

All purchasing activities are subject to internal and external review, audit, and investigation at any time. As public servants who are responsible for assisting Texans and serving the Texas taxpayers, VR employees are expected to maintain the highest level of ethical conduct. Violation of these policies may result in disciplinary action up to and including dismissal and, in some cases, referral to state or federal law enforcement agencies. For more information, see the TWC Personnel Manual, 1.9 Ethics/Standards of Conduct.

The VRSM is not intended to create immovable barriers in the VR process. However, there are certain goods and services that cannot be purchased with VR funds or that require a specific level of review and approval before authorizing the purchase. For more information on restricted goods and services, see VRSM D-205: Purchasing Thresholds and Restrictions and VRSM D-206: Purchasing Restrictions. For more information about required approvals and consultations, refer to the relevant sections of the VRSM and to the Required Approvals and Consultations Table in the appendices of this manual.

When there is a clearly demonstrated vocational need that cannot be approved at the local field office, the VR counselor discusses the circumstances with the VR Supervisor, VR Manager, and/or a regional or state office program specialist. Together, they determine whether there is justification for requesting an exception to published policies and procedures. If the need is justified, then the VR counselor sends a request for an exception to policies and procedures through your chain of management to the Deputy Division Director for Field Services for consideration. However, exceptions to policies and procedures based on federal and state laws, statutes, and rules or regulations are not allowable.

For additional information on other required approvals and consultations, refer to VRSM E-200: Summary Table of Approvals, Consultations, and Notifications and content throughout this manual.

## D-201: Legal Authorization

The state and federal laws governing the purchase of goods and services for VR customers include the following:

* Education Department General Administrative Regulations, 34 Code of Federal Regulations (CFR) Parts 76, 77, 79, 81, and 82
* 34 CFR Part 361
* 2 CFR Part 190, as adopted in 2 CFR Part 3485
* 2 CFR part 200, as adopted in 2 CFR Part 3474
* 34 Texas Administrative Code, Part I, Chapter 20, Statewide Procurement and Support Services
* Texas Government Code, Chapter 2155

VR does not discriminate on the basis of race, color, sex, national origin, age, disability, or veteran status when purchasing goods and services for customers.

### D-201-1: Policy, Procedure, and Guidance Documents

VR counselors, designated technicians, and other VR staff members who purchase goods and services for customers also must follow the policies, procedures, and guidance published in the following TWC manuals:

* Vocational Rehabilitation Services Manual
* VR Standards for Providers Manual
* Criss Cole Rehabilitation Center Policy Manual (Word)
* VR Guidance and Information Memoranda
* Independent Living Services for Older Individuals Who Are Blind Policies and Procedures Manual (Word)
* Medical Services Required Practices Handbook (PDF)
* MOSAIC (Monitoring Oversight and Internal Controls) Process Guide (Word)
* ReHabWorks (RHW) User's Guide
* Texas Review, Oversight, and Coaching System (TxROCS) User's Guide (Word)

## D-202: VR Staff Responsibilities

All VR staff members must ensure compliance with purchasing processes.

### VR Counselor

Only a VR counselor and his or her supervisor may authorize the use of VR funds to purchase a good or service. Other VR staff members who provide direct services to customers may recommend a purchase as a part of the VR team, but the VR counselor is ultimately responsible for ensuring that the service is reasonable, is appropriate, and is necessary to achieve the employment goal described in the customer's IPE.

Before the service authorization (SA) is generated, the VR counselor makes the purchase in compliance with the published policies, procedures, and guidelines, including completing all required documentation and obtaining all of the reviews or approvals that are required to authorize the purchase in RHW.

### Internal Program Resource Staff

The following individuals are available to provide specialized oversight, support, and consultation for purchasing processes and procedures:

* Designated subject matter experts
* Dental consultants
* In-house providers
* Medical services coordinators
* Medical consultants
* Psychological consultants
* Assistive technology specialists
* Managers and management teams
* Unit support assistants and unit support coordinators
* Program specialists (unit, regional, and state office)

VR staff members who have purchasing questions that are not addressed in this chapter, elsewhere in the VRSM, or in other policy and procedure manuals, must consult with the appropriate program staff members before completing an SA.

### D-202-1: Documentation Requirements

RHW is an electronic case management system. It communicates with TWC's financial system to authorize and track payments for all customer goods and services.

Purchasing documentation is kept in both RHW and in the paper case file.

All documentation that supports the purchase of a good or service must be entered into RHW and filed in the customer's paper case file by VR staff before obligating VR funds.

VR funds are obligated at the time that a SA is generated in RHW.

#### IPE, IPE Amendment, and Case Notes

The only goods and services that may be purchased before the customer's IPE is completed are the goods and services that are necessary to:

* complete diagnostics;
* support the completion of diagnostics;
* assess eligibility; or
* develop the IPE.

Purchases made before the IPE is completed must be documented in a service justification case note. After the customer is determined eligible and an IPE is completed, substantial services (such as training, surgery, and vehicle modifications) may be purchased only if they are included in the customer's current IPE or in an IPE amendment in RHW.

Services that support substantial services (such as maintenance or ancillary services; for example, X-rays and lab work) can be documented in the original IPE, in an IPE amendment, or in a service justification case note.

Documentation of the service justification may also be included as part of another case note in RHW, such as in a Counseling and Guidance case note or a Joint Annual Review (JAR) case note.

If the case is in employment phase in RHW an IPE amendment is required. Refer to VRSM B-506: Post-Employment Services.

When there is no clear association between a purchased service and a service identified in the IPE or IPE amendment, the VR counselor must document the association clearly in an RHW case note.

For more information about content that must be included in specific case notes, refer to VRSM E-300: Case Note Requirements and content for specific services throughout this manual.

For more information about completing an IPE, JAR, or IPE amendment, refer to VRSM B-400: Individualized Plan for Employment.

For more information on creating service records and SAs in RHW, refer to the ReHabWorks User's Guide (RUG), E-200: Case Service Records and RUG E-300: Case Service Authorizations.

#### Paper Case File Documentation

All documents related to the purchasing process are legal records and must be kept in the customer's paper case file.

Purchasing-related documents include:

* bids;
* invoices;
* reports;
* printed SAs; and
* related correspondence.

Purchasing documentation must be:

* date-stamped on the day that it is received by the VR office; and
* filed in the customer's paper case file.

RHW does not store copies of SAs that are revised; therefore, the following applies:

* When the initial SA is generated, the VR staff must
  + print a paper copy of the SA,
  + have the issuer sign the SA, and
  + file the SA in the customer's paper case file.
* If an SA is changed while it is still open, the VR staff
  + print a paper copy of the revised SA,
  + have the issuer sign the revised SA, and
  + file the revised SA in the customer's paper case file.

The issuer may sign the SA using a digital signature. Refer to Authorizing Services Remotely for step by step instructions for digital signatures. This is located on the ReHabWorks intranet page under ReHabWorks Desk Aids and Tutorials.

All printed SA's remain in the customer's case file, even if the SA is revised.

To ensure that the provider's file accurately reflects the purchasing activities in RHW, the VR staff sends a copy of the SA to the provider:

* when the SA is generated; and
* when an open SA is changed.

If an SA is closed because the service is no longer authorized, VR staff members must notify the provider no later than the same business day that the SA is closed.  Document the notification of the provider in a case note in RHW.

Note: Electronic copies of closed SAs are kept in RHW. Therefore, even if an SA is changed as a result of closing the SA, printed copies of closed SA's are not required in the paper case file.

## D-203: Purchasing Decisions

All goods and services purchased with VR funds must be appropriate and necessary to support a competitive integrated employment outcome.

For additional information about documentation requirements for purchasing, refer to VRSM D-202-1: Documentation Requirements.

When authorizing the purchase of a good or service, the VR counselor considers:

* the cost, accessibility, type, and duration of the services;
* the customer's informed choice;
* the customer's satisfaction with the proposed services;
* the provider's compliance with the Americans with Disabilities Act;
* the qualifications of the service provider;
* the setting in which the services are provided; and
* the provider's history of success with other customers.

Additionally, the following must also be considered for each purchase:

* Best value
* Use of comparable benefits
* Required customer participation in cost of services (also referred to as BLR)
* Separation of duties
* Ethics and purchasing

### D-203-1: Informed Customer Choice

The customer (and, as appropriate, his or her representatives) must be involved in decision making related to all aspects of the customer's VR services, including selecting the goods, services, and providers during the purchasing process.

The VR counselor must document in a case note the customer's involvement in the selection of goods, services, and providers.

For more information about informed choice and the VR process, refer to VRSM B-102: Informed Choice.

### D-203-2: Best Value Purchasing

Because VR uses tax revenue to pay for services, VR must purchase the least expensive services that meet the customer's vocational needs.

To accomplish this, VR staff members apply the best-value purchasing approach. The approach ensures that, when authorizing a purchase, staff members consider not only the initial cost but also the factors that influence the total cost and value to both the customer and TWC.

These factors include, but are not limited to:

* installation costs;
* warranties;
* life-cycle costs;
* quality and reliability;
* delivery costs and terms;
* the timeliness of the delivery;
* the cost of training associated with a purchase; and
* the indicators of the provider's probable performance (for example, the provider's past performance, financial resources, ability to perform, experience, responsibility, reputation, and ability to provide reliable maintenance and support).

### D-203-3: Comparable Services and Benefits

Comparable services and benefits, including accommodations and auxiliary aids and services, are resources that are provided or paid for, in whole or in part, by other Federal, State, or local public agencies, by health insurance, or by employee benefits. These resources must be available to VR customer at the time needed and they must be commensurate to the services that the customer would otherwise receive from the TWC-VR. (Based on 34 CFR §361.5(c)(8).)

Comparable services and benefits do not include:

* scholarships or other awards of merit;
* student loans;
* personal loans; or
* customer contributions to the cost of services.

#### Requirement to Use Comparable Services and Benefits

When a customer is determined eligible for VR services, 34 CFR §361.53 requires that prior providing any VR service, TWC-VR must determine whether comparable services and benefits exist under any other program and whether those services and benefits are available to the customer. When comparable services benefits are available, these resources must be used for planned services before using VR funds.

#### Exceptions for Use of Comparable Services and Benefits

Comparable services and benefits must be utilized unless doing so would significantly interrupt or delay:

* the progress of the customer toward achieving the employment outcome identified in the IPE;
* an immediate job placement; or
* the provision of VR services to any individual who is determined to be at extreme medical risk, based on medical evidence provided by an appropriate qualified medical professional.

The VR Manager must approve any exceptions to the use of available comparable benefits for the above reasons. Otherwise, no exceptions are allowed to this policy.

While all available resources should be utilized to ensure compliance with VRSM D-203-2: Best Value Purchasing, the requirement to use comparable services and benefits does not apply to the following goods and services:

* Assessments for determining eligibility and VR needs;
* Counseling and guidance;
* Referral and other services to secure needed services from other agencies;
* Job-related services, including job search and placement assistance, job retention services, follow-up services, and follow-along services; and
* Rehabilitation technology, including telecommunications, sensory, and other technological aids and devices.

#### Federal Financial Aid

If the customer needs postsecondary training to reach the IPE goal, the customer must be informed that he or she is required to apply for and use, if granted, support from the Federal Financial Student Aid Program that does not include a payback requirement. When applicable, include this requirement on the IPE. Refer to VRSM C-405: Financial Aid and Comparable Benefits for additional information.

#### Services and Benefits for Veterans

The US Department of Veterans Affairs has a range of benefits available to veterans of the military, naval, and air services, and to certain members of their families. Among the benefits available to service-disabled veterans and their families are several types of financial assistance, including monthly cash payments, health care, housing benefits, and educational benefits.

In addition, additional resources for veterans are:

* Centers for Independent Living;
* Community Services for the Blind;
* TWC's Texas Veterans Leadership Program;
* Texas Veterans Commission; and
* the Hazelwood Act.

For additional information, refer to VRSM A-304: Veterans with Disabilities.

#### Insurance as a Comparable Benefit

VR is the payor of last resort. Comparable benefits and the customer's required participation in the cost of services must be applied before VR funds are spent.

After the customer's primary and/or secondary benefit coverage has been applied and the customer's ability to pay has been determined, if VR is paying a portion of the total owed to the provider, VR may pay an amount equal to the customer's copayment, coinsurance, or deductible due.

VR payment must not exceed:

* the amount allowed by the customer's insurance;
* the allowable VR rate; or
* the VR contract rate, whichever is less.

#### Documenting Use of Comparable Services and Benefits

The exploration of and use and non-use of comparable services and benefits must be thoroughly documented in the customer's case file. This includes documentation in ReHabWorks (RHW):

* Case notes
* Service records
* IPE or IPE amendments
* Closure Services page.

Copies of documents related to approval or denial of comparable benefits must be filed in the customer's paper case file.

Substantial or supportive goods and services that are necessary for the customer to reach the identified employment goal and are arranged by a comparable benefit must be documented by an arranged service record in RHW. For additional information on creating service records, refer to RUG E-200: Case Service Records. For additional information on planned services, refer to VRSM B-504-5: Planned Services.

#### Documenting Comparable Benefits in ReHabWorks

The following comparable benefits selections can be selected to document the use of comparable benefits when service records, IPEs, and Closure Services pages are developed in ReHabWorks:

* Centers for Independent Living
* Child Protective Services
* Educational Institutions (elementary and secondary)
* Educational Institutions (postsecondary)
* Educational Service Center
* Employers
* Employment Networks (not otherwise specified)
* Federal Student Aid (such as Pell grants, SEOP (Supplemental Educational Opportunity Grant), work study, etc.)
* Intellectual and Developmental Disabilities Agencies
* Lion's Club
* Medicaid Programs
* Medicaid Waiver
* Medical Health Provider (public or private)
* Medicare
* Mental Health Provider (public or private)
* One-Stop Employment and Training Centers
* Other Sources
* Other State Agencies
* Other VR State Agencies
* Public Housing Authority
* Scholarship
* Social Security Administration (Disability Determination Services or District office)
* State Department of Correction and Juvenile Justice
* State Employment Service Agency
* Tuition Waiver (non-blind, non-deaf)
* Tuition Waiver Blind
* Tuition Waiver Deaf
* Veteran's Administration
* Waiver Programs—MDCP In-Home, CLASS & Family Support Class
* Welfare Agency (state or local government)
* Worker's Compensation

### D-203-4: Customer Participation in the Cost of Services

A customer's eligibility for VR services does not depend on the customer's income or liquid assets; however, if the customer's net income or liquid assets exceed the basic living requirements (BLR), the customer must participate in the cost of services.

For a list of services that explains when BLR is or is not applied, refer to VRSM E-400: Applying Basic Living Requirements (BLR) to VR Services.

The monthly net income and liquid assets levels that are used to calculate the customer's required contribution to the cost of services are available on the VR Basic Living Requirements (BLR) intranet page.

#### Exception

A customer whose net income or liquid assets exceed the BLR is not required to help pay for services, if:

* the customer is eligible for Social Security disability benefits—that is, Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI); or
* the VR Supervisor grants an exception because the customer's participation would prevent the customer from receiving a necessary service.

The VR counselor must inform the customer that failure to provide complete and accurate financial information:

* violates federal and Texas law; and
* may result in a denial or delay of services that are not exempt from customer contribution requirements.

#### Determining the Customer's Requirement and Ability to Participate

To determine whether a customer must participate in the cost of services and his or her financial ability to do so, the VR counselor uses the following four-step procedure.

1. Determine whether the customer is required to participate in the cost of services

When determining whether the customer is required to participate in the cost of services, VR staff:

* + considers the monthly net income and liquid assets of the customer;
  + considers the monthly net income and liquid assets of the customer's spouse (if applicable); and
  + considers the monthly net income and liquid assets of the parent or legal guardian if the customer is claimed as a dependent for purposes of federal income taxes; and
  + compares the total monthly net income and liquid assets BLR levels.

NOTE: When completing the Monthly Financial Information screen in RHW, the customer's net income must be entered in the Economic Resources section to get an accurate BLR calculation.

1. Obtain documented proof of all the income and expenses.

When an individual applies for services, the VR counselor requests documented proof of all:

* + income (excluding any payment in-kind, such as food stamps or housing subsidies);
  + liquid assets (cash plus assets that are easily converted to cash);
  + expenses; and/or
  + any allowable additions to the BLR.

A customer who is eligible for Social Security disability benefits (SSI or SSDI) provides only proof of Social Security eligibility. The law exempts recipients of Social Security disability benefits from the requirement to participate in the cost of VR services regardless of income, so no additional proof of income or expenses is required.

1. Calculate the customer's contribution.

When the customer's liquid assets exceed the BLR level after including any allowable BLR additions, the customer must contribute an amount equal to the excess toward the cost of goods and services.

For each month in which VR pays for goods and/or services, the customer must contribute the difference between the customer's monthly net income and the BLR level after including any allowable BLR additions.

The customer's contribution must not exceed the cost of the good and/or service.

A customer whose net income or liquid assets is under the BLR is not required to contribute to their VR services. However, maximum amounts and rates published in the VRSM still apply.

The total amount that the customer is required to pay must be received prior to any service authorization being issued. For more information, refer to "Payments" in this section.

Note: Exceptions may be made to this policy as stated above under "Exception".

1. Review, periodically, the customer's proof of income and expenses.

At least annually, the VR counselor:

* + reviews the customer's income, liquid assets, and expenses; and
  + documents the review results in a RHW case note.

If the customer's income, liquid assets, or expenses change significantly during the life of the case, the VR staff

* reassesses whether the customer must participate in the cost of services;
* documents proof of the changes (and, if documentation is not available, notes the reason in a case note);
* updates the financial information in RHW; and
* documents the reason for the change in the comment section of the financial information page at the time of the update (this will create a case note in RHW when the changes to the page are saved).

If the customer's IPE is developed before proof of income and expenses is received, the VR counselor does not include services that require the customer's participation in the cost (see list of service exempt from customer participate below).

When proof of income and expenses are received, the VR counselor amends the IPE as needed.

#### Types of Income, Liquid Assets, and Required Proof

The table below lists the types of income and corresponding proof required of the customer, spouse, and parent (if the customer is claimed as a dependent).

|  |  |
| --- | --- |
| **Income** | **Proof Required** |
| Net wages and net income from other enterprises | Requires:   * a check stub; * a bank statement; or * an earnings statement. |
| Social Security disability benefits (SSI or SSDI) received by the customer for their disability | No proof is required for the actual income amount of the customer's SSI or SSDI checks; however, proof of eligibility for SSI or SSDI benefits must be in the customer's case file. |
| All other Social Security benefits (for example, survivor or retirement benefits received by the customer or the customer's spouse or parents, Social Security disability received by the customer's spouse or parents, and so on) | Requires:   * an award letter; * a check stub; * an income tax return; or * a bank statement. |
| The following income received by the customer:   * Public support payments * VA income benefits * Unemployment compensation income * Workers' Compensation income * Private disability insurance * Annuities | Requires:   * an award letter; * a check stub; * an income tax return; or * a bank statement. |
| Child support payments received by the customer | Requires:   * an award letter; * a check stub; * an income tax return; * a court order; or * a bank statement. |

|  |  |
| --- | --- |
| **Liquid Assets** | **Proof Required** |
| Cash and assets from savings or other accounts. | Account statements |

#### Refusal to Provide Financial Information

Customers have the right not to disclose their financial information. However, when a customer declines to provide the information, VR assumes that the customer has resources that exceed the BLR level, after including any allowable BLR additions. In such a case, the customer must fully participate in the cost of planned services, except in the case of the services listed in "Services Exempt from the Customer's Cost Participation" below.

#### Calculating Customer Participation

The customer's required contribution to the cost of services is referred to as the Basic Living Requirements (BLR).

RHW is designed to automatically calculate a customer's participation based on:

* 300 percent of the United States Health and Human Services Poverty Guidelines; and
* the customer's income, family status, and economic need, as entered in RHW.

See the U.S. Department of Health and Human Services Poverty Guidelines for the current fiscal year and see VR's BLR tables; these tables are available to the public upon request.

RHW determines the amount that a customer must contribute to the cost of services, based on the customer's net monthly income and family size as related to the poverty guidelines for the current fiscal year.

The amount is calculated as monthly but is applied only in the months that a service or good is provided that requires participation in cost of services.

#### Allowable Additions to BLR

The total monthly costs of the allowable additions below are automatically added to the BLR when entered in RHW.

|  |  |
| --- | --- |
| **Allowable Additions** | **Proof Required** |
| Monthly home mortgage or rental payments | Required:   * statement; * canceled check; * money order stub; * contract; and * lease. |
| Prescribed diet and medicines used by the customer | Required:   * itemized receipts; or * canceled checks. |
| Debts imposed by court order | Court record |
| Medical costs and disability-related expenses of the customer  Based on 34 CFR §361.54(b)(2) | Required:   * itemized statements; or * canceled checks. |

#### Payments

When feasible, except for MAPS and contract services, a customer who is participating in the cost of goods and/or services pays the service provider directly. When direct payment to the provider is not feasible, the VR counselor arranges for the customer to submit the required amount to TWC-VR by check or money order.

However, if authorizing the purchase of hearing aids, accessories, or hearing aid service charges and the customer exceeds BLR, the customer must submit the required amount to TWC-VR by check or money order.

When paying TWC-VR, the total amount that the customer is required to pay must be received prior to any service authorizations being issued.

When receiving a payment from a customer to meet BLR requirements, the VR counselor or RA:

* documents the receipt of the check or money order in a case note in RHW;
* files copies of the check or money order in the customer's case file; and
* follows the process documented in VRSM D-505-1: Refunds.

#### In-kind payments

The customer may pay "in kind" for certain services listed on the IPE; for example, paying for transportation to receive services, or paying for uniforms, textbooks, and the like.

#### Services Exempt from the Customer's Cost Participation

The VR counselor reviews with the customer the customer's agreement to pay for the cost of services.

For a list of services that explains when BLR is or is not applied, refer to VRSM E-400: Applying Basic Living Requirements (BLR) to VR Services.

Services exempt from the customer's cost participation include the costs for:

* the assessment for determining the customer's eligibility;
* the assessment for determining the customer's VR needs, including associated maintenance and transportation;
* VR counseling and guidance and referral for other services;
* in-house services provided directly by VR staff;
* job-related services, including job search and placement assistance, job retention services, follow-up services, and follow-along services;
* personal attendant services;
* any auxiliary aid or service (for example, interpreter services) that a customer with a disability requires to participate in the VR program;
* diabetes education services;
* orientation and mobility services;
* Pre-Employment Transition Services (Pre-ETS); and
* other VR services that directly support Pre-ETS, like transportation, maintenance, and personal assistant services (applicable for VR eligible students only).

This policy must be applied uniformly to all customers in similar circumstances.

#### SSI and/or SSDI Recipients

Customers eligible for SSI or SSDI because of a disability are exempt from the cost participation requirement. Limitations on payments (for example, on payment of tuition and fees) are also not applied; however, VR policy on the use of best value and comparable services and benefits must be followed for all VR customers.

#### Potentially Eligible Customers

BLR does not apply to services that are provided directly to potentially eligible VR customers; however, policy on the use of best value and comparable services and benefits must be followed for all VR customers.

#### Students or Youth with Disabilities

The BLR does not apply to:

* the cost of participation in training seminars and GSTs for students or youth with disabilities (see VRSM C-1307-1: Student Participation in the Cost of Training Seminars and GSTs); or
* the cost of parents or legal guardians to participate in the training seminars and GSTs for students or youth with disabilities (see VRSM C-1307-2: Family Participation in Training Seminars and GSTs).

VR policy on the use of best value and comparable services and benefits must be followed for all VR customers.

### D-203-5: Separation of Duties

To minimize conflict of interest, RHW is designed so that the same VR staff member may not authorize payment for an SA that the staff member created or made changes to at any point in the purchasing process.

At least two staff members must complete each purchase—that is, issue, receive, and authorize payment—to ensure that integrity is maintained throughout the purchasing process.

For additional information about processing an SA in RHW, see RUG E-300: Case Service Authorizations, E-304: New Service Authorization.

### D-203-6: Ethics of Purchasing

As stewards of VR funds, VR staff members have a personal and professional responsibility to maintain a high level of ethical standard when purchasing goods and services for VR customers. VR staff members are required to follow all purchasing policies and procedures published in the VRSM and the VR-SFP.

Purchasing ethics for state government are also governed by the Texas Ethics Commission, which interprets laws governing the conduct of state officers and employees.

The following state laws apply:

* Texas Government Code, Chapters 305 and 572
* Texas Penal Code, Chapters 36 and 39

#### State Ethics Policy

In addition to the content below, VR staff members must also comply with the TWC Personnel Manual, 1.9 Ethics/Standards of Conduct and TWC's Ethics policy.

"State law mandates that no State Officer or employee shall have a direct or indirect interest in, or engage in, any business transaction or professional activity, or incur any obligation that conflicts with the proper discharge of that individual's duties for the state.

Further, a state employee shall not:

1. accept or solicit any gift, favor, or service deemed to be of personal benefit or value that might reasonably tend to influence the performance of official duties or that the employee knows, or should know, is being offered to intentionally influence the employee's official conduct;
2. accept employment or engage in any business or professional activity that the employee might reasonably expect would require the employee to disclose confidential information that is obtained through the employee's official position, including information that is excepted from public disclosure by law or TWC rule under the Texas Public Information Act, or information that has been ordered sealed by a court;
3. accept other employment, including self-employment, or compensation or engage in a business activity that could reasonably be expected to impair the employee's independence of judgment in performing official duties;
4. make personal investments that could reasonably be expected to create a substantial conflict between the employee's private interest and the public interest; or
5. intentionally or knowingly solicit, accept, or agree to accept any benefit for having exercised official powers or performed official duties as a favor."

#### Ethical Violations

"Agency employees who violate provisions of the ethics policy are subject to disciplinary action, up to and including dismissal from employment. Further, any employee who violates the ethics policy is subject to any applicable civil or criminal penalty if the violation also constitutes a violation of another statute or rule."

#### Bribery

Texas Penal Code §36.02

"A. The Texas Penal Code states that a state employee commits an offense if that employee knowingly or intentionally offers, gives, or agrees to give to another person any benefit as a consideration for the employee's decision, opinion, recommendation, vote or other exercise of discretion as the employee or any benefit as consideration for a violation of a duty imposed by law on the employee.

B. Under the Texas Penal Code, any TWC employee who exercises any discretion as to TWC contracts is forbidden from accepting any benefit from any person interested in any TWC contract or from any person who is likely to become interested in any TWC contract in which the employee exercises discretion. Such behavior is a criminal offense under the Texas Penal Code."

#### Gifts, Favors, or Services

Texas Penal Code §36.07 and §36.08

"TWC employee shall not accept or agree to accept, directly or indirectly, any favor, gift, loan, free service, or other item deemed to be of personal benefit or value in any form from any person or organization outside of TWC if it is intended, or would appear, to reward or influence the employee's official actions. This simply means that you should never accept anything if it might make you do your job differently, if you think the person giving it to you has the hope you will do your job differently, or if it might appear to others that you have done your job differently."

#### Appearance of Impropriety

In addition to following purchasing policies and procedures, VR staff members must also avoid the appearance of impropriety when they are representing TWC-VR.

VR staff members must consult with their VR Supervisor or VR Manager, as needed, when they have questions or concerns about purchasing-related ethics.

### D-203-7: Service Category Codes

In ReHabWorks, there is a drop-down list of service descriptions from which an entry is selected when creating a service record. The selected service category code helps determine the applicable receiving and payment requirements enforced by ReHabWorks and may be used by the system to determine whether a transaction can be paid in advance. Proper selection of the service category code supports VR's ability to ensure:

* compliance with federal reporting obligations;
* proper use of VR funds;
* compliance with state comptroller requirements; and
* proper categorization of goods and services for the SSA-VR reimbursement process.

Staff must use the correct service category code for the good or service being authorized, and service category code selection is reviewed as a part of the formal technical and purchasing case review process. For questions about service category code selection process, VR staff can email [vr.rhw.providerservices@twc.texas.gov](mailto:vr.rhw.providerservices@twc.texas.gov).

## D-204: The Purchasing Process

Service authorizations must be issued no later than the date that good is ordered or that service begins. When an SA is not issued within these parameters, it is an after-the-fact SA. There are three types of after-the-fact SA's: backdated, after-the-fact ancillary, and replacement, which are covered in more detail below.

All after-the-fact SA's are monitored by state office.

### D-204-1: Steps in the Purchasing Process

VR staff completes the following steps.

#### Step 1 - The VR counselor

Identifies the good or service needed.

Researches the good or service.

Collects the required approval (as identified in the appropriate program manual).

#### Step 2 - The VR counselor

Documents the need for and type of purchase in:

* a service justification case note;
* an IPE; or
* an IPE amendment.

#### Step 3 - A VR staff member with an appropriate RHW user role

Creates a service record. For more information, see RUG E-200: Case Service Records.

Completes the specification on the service record to identify the precise good or service and obtains and documents the required consultations and or approvals, according to policy.

Edits the level-four specification descriptions to match the good or service to be purchased. All specifications can be customized—except MAPS specifications.

Note: Staff must use the correct specification for the good or service being authorized. For questions about specification levels for specific services, VR staff can email [vr.rhw.providerservices@twc.texas.gov](mailto:vr.rhw.providerservices@twc.texas.gov).

#### Step 4 - A VR staff member with an appropriate RHW user role

Creates an SA to obligate the budget. For more information, see RUG E-300: Case Service Authorizations.

If the customer is eligible, uses the Pre-Employment Transition Services budget. For more information, refer to VRSM C-1300: Transition Services for Students and Youth with Disabilities.

#### Step 5 - A VR staff member with an appropriate RHW user role

Prints the SA. (The printed SA must be signed by the issuer. The issuer may sign the SA digitally). Refer to Authorizing Services Remotely for step-by-step instructions for digital signatures. This is located on the ReHabWorks intranet page under ReHabWorks Desk Aids and Tutorials.

Sends the SA to the vendor by mail, fax, or encrypted email. Depending on the manner in which the SA is sent to the vendor, the VR staff member files the original, signed SA, or a copy of it, in the customer's case folder.

If the SA is revised, VR staff:

* completes these steps again;
* sends the new or updated SA to the vendor; and
* files the SA in the paper case file.

For more information about revising an SA, see VRSM D-204-2: After-the-Fact Purchases.

For more information about requirements for maintaining printed copies of SA's in the paper case file, see VRSM D-202-1: Documentation Requirements.

#### Step 6 - A VR staff member with an appropriate RHW user role

* If it becomes apparent that the total committed budget will not be used, reduce the quantity and/or unit cost in the SA in RHW.
* Repeat step 5.

For information about closing an SA, refer to RUG E-300: Case Service Authorizations, E-310: SA Change.

For more information about requirements for maintaining printed copies of SAs in the paper case file, see VRSM D-202-1: Documentation Requirements.

#### Step 7 - A VR staff member with an appropriate RHW user role

* Receives and documents the receipt of goods and services.
* Verifies that goods and/or services were delivered in good condition and met the specifications.

#### Step 8 - A VR staff member with an appropriate RHW user role

* Processes the invoice within seven calendar days.

### D-204-2: After-the-Fact Backdated Service Authorizations

The purchase of goods and services must be authorized with a service authorization (SA) in RHW before the good or service is ordered or received. If an SA was not issued for a good or service before the date that the good was ordered or the service started, this is an after-the-fact backdated service authorization, which is referred to as a "backdated SA."

Example: An SA was not issued for a Supported Employment Benchmark that was reached yesterday.

All backdated SAs must be approved by the VR Supervisor, if being issued by a field office, or Regional Program Support Manager, if being issued by a regional Medical Services Coordinator (MSC) or Medical Services Technician (MST).

For documentation requirements for backdated service authorizations, refer to VRSM E-300: Case Notes Requirements – After-the-Fact SA (Word).

All backdated SAs are subject to consideration as a policy violation. However, when a delay of services may have endangered a customer's well-being, a backdated hospital or medical service SA may be issued with required approvals. See VRSM C-701-4: Necessary, Unplanned Medical Services for additional information.

### D-204-3: After-the-Fact Ancillary Service Authorizations

An after-the-fact ancillary SA is one that is issued after a good or service has been provided, but that is directly related to an existing SA. Ancillary goods and services that are anticipated with a specific service must be included on the customer's IPE and the SA should be issued in advance to minimize the use of after-the-fact ancillary SAs. See VRSM B-504-4: Planned Services, Ancillary Goods and Services for additional information.

Example: An SA was sent to a vendor for books. The customer picked up the books and an additional required book was purchased that was not on the SA. The VR staff paid for the books and a month later the vendor contacted VR for an SA for the additional book that was picked up.

All after-the-fact service ancillary authorizations must be approved by the VR Supervisor, if being issued by a field office, or Regional Program Support Manager, if being issued by a regional MSC or MST.

After-the-fact ancillary SAs are issued:

* when a service is unanticipated, arising from services previously authorized;
* because of complications from services previously authorized; or
* because additional services are needed to directly support an existing SA.

Before generating an after-the-fact ancillary SA, the VR staff must:

* justify the SA in a case note;
* include in the case note the SA number of the original SA;
* obtain the required approvals for the SA; and
* generate the after-the-fact ancillary SA and include the original SA number in the comments section.

After the start date of an existing SA, it may be necessary to:

* document unanticipated ancillary services (for example, pathology, radiology, and consultations); or
* document the change in the Comments section of the original SA, provided a change in services is not significant.

For documentation requirements for after-the-fact ancillary service authorizations, refer to VRSM E-300: Case Notes Requirements – After-the-Fact SA.

For more information about revising an SA, see RUG E-300: Case Service Authorizations, E-310: SA Change.

For more information about requirements for maintaining printed copies of SAs in the paper case file, see VRSM D-202-1: Documentation Requirements.

### D-204-4: After-the-Fact Replacement Service Authorizations

The specifications in a service authorization (SA) may change during the delivery of services. When this is necessary, it is an after-the-fact replacement service authorization, which is referred to as a replacement SA. Replacement SAs must be issued within five calendar days of the day on which the original SA was canceled or closed, and it is preferred that the new SA is issued before the one being replaced is canceled or closed. If the replacement SA is not issued within five calendar days of the day on which the original SA is canceled or closed, then the new SA must be approved and processed as a backdated SA per the requirements found in VRSM D-204-2: Backdated Service Authorizations.

Example: An SA was issued to a vendor for a psychological evaluation. After the billing was received, it was discovered that the SA should have been issued for a neuropsychological evaluation.

For documentation requirements for replacement SAs, refer to VRSM E-300: Case Notes Requirements – After-the-Fact Replacement SA (Word).

If a change is needed to services that are delivered by the same vendor (for example, if a change is needed to the MAPS codes), and approval by the VR Manager or state medical director was required on the initial SA, the same approvals must be in place and linked to the replacement service record before issuing the replacement SA. For more information about RHW purchase approvals, refer to RUG E-100: Purchase Approval Requests.

If a change is needed to services that are delivered by the same vendor (for example, if a change is needed to the MAPS codes), and approval was not required for the original SA or the new SA, then no additional approval is required.

If the only update that is needed involves changing the vendor and not the good/service description or dates, a replacement SA is not required. Contact the Unit Purchasing Specialist to update the vendor on the original SA.

### D-204-5: No-Show Payments

A no-show occurs when a VR customer:

* misses an appointment for a VR-sponsored service provided by a psychiatrist, social worker, licensed professional counselor, or psychologist; and
* does not properly cancel the appointment in accordance with the provider's policy.

VR accepts no-show billings for consideration only from the following:

* Psychiatrists
* Social workers
* Licensed professional counselors
* Psychologists

The service provider must notify the VR counselor within one working day of the customer's failure to appear.

The acceptable fee for a no-show is limited to 50% of the payment allowed by MAPS for the codes authorized on the SA.

No-show billings from other disciplines, specialties, and contractors are not eligible for payments.

#### Exception for Interpreter Services Under Contract

No-show payments no longer apply to any Communication Access Services. Please refer to VRSM D-204-7: Cancellation Upon Arrival.

#### Processing a No-Show Payment in RHW

A no-show specification is different from the specification for the service that would have been provided; therefore, the VR staff member either:

1. closes the SA, so that a new one can be created; or
2. adds a line item to the SA.

VR staff members:

1. create a service record;
2. select No Show for the specification; and
3. enter the correct Begin Date and End Date (even though both dates occurred in the past).

Once the SA includes a line item for the no-show payment, the VR staff member processes the payment in the same manner as any other payment to a provider.

For more information about creating a service record or adding a line item to an existing SA, refer to RUG E-200: Case Service Records.

### D-204-6: Changing a Provider on a Service Authorization

Under some circumstances, the selected provider on an existing service authorization (SA) may need to be changed. Only designated ReHabWorks (RHW) users, including the medical services coordinator and the unit purchasing specialist, may change the provider on an SA.

Changing the provider on an existing SA is allowable in circumstances involving, but not limited to, the following:

* Medical services
* Medical records
* A provider's change of status, such as changing from being a sole provider (for example, Dr. Smith) to an incorporated provider (for example, ABC Medical Services) or vice versa
* The provider's merger with, or acquisition by another provider.
* An incorrect selection of the provider on the SA.

The new provider on the SA must meet all the criteria (for example, contract type or required credentials) that were in place for the existing SA. For additional information, refer to VRSM B-504-5: Planned Services and other relevant content found in this manual.

### D-204-7: Cancellation Upon Arrival

A cancellation upon arrival occurs when a communication access provider:

* arrives at a scheduled appointment for a VR customer and the customer does not arrive to the scheduled appointment.  Provider must wait after scheduled appointment time for at least 30 minutes; and
* does not cancel the services within a period of at least 48 hours of the scheduled service.

VR accepts cancellation upon arrival billing from all communication access providers.

The service provider must notify the VR counselor within one working day of the customer's failure to appear.

#### Processing a Cancellation Payment in RHW

A cancellation specification is different from the specification for the service that would have been provided; therefore, the VR staff member:

1. cancels the line item for the requested MAPS code for communication access;
2. adds a line item using the MAPS code for communication access cancellation to the SA;
3. enter the correct Begin Date and End Date (even though both dates occurred in the past).

Once the SA includes a line item for the cancellation payment, the VR staff member processes the payment in the same manner as any other payment to a provider.

For more information about creating a service record or adding a line item to an existing SA, refer to RUG E-200: Case Service Records.

For information about no show payments for other disciplines, refer to VRSM D-204-5: No-Show Payments.

### D-204-8: Shipping and Handling Costs

When goods ordered for a customer must be transported to the VR office or the customer's location, shipping and handling costs may be applicable and, if so, will need to be included on the service authorization (SA).

Shipping and handling costs apply to goods being transported from the source location to the destination. Shipping costs will depend on the mode of transportation used to transport the good, and when the vendor provides multiple shipping options, the most economical method should be used. If there is an urgent, immediate need for the ordered good, staff may justify the use of an expedited shipping method such as overnight or second-day air.

#### Identifying Shipping and Handling Costs

So that shipping and handling costs can be properly and efficiently included on the SA at the start of the process, staff should verify whether the vendor will be charging for shipping and handling and ask that the estimated costs for shipping and handling be included as a part of the quote or other documentation submitted to TWC.

#### Processing Shipping and Handling Costs in ReHabWorks

Shipping and handling costs should be processed in ReHabWorks as follows:

1. In addition to the line item or items for the goods being ordered, create a separate line to be used only for the shipping and handling costs.
2. Include this line item on the SA using the quoted cost.
3. Upon receipt of the invoice, adjust the cost based on the actual shipping and handling costs.

In instances where the shipping and handling costs were not known until after the SA was issued and no shipping and handling line item was included on the SA, change-up the unit cost of one SA line item to include the shipping and handling amount. Clearly document this in a case note, and for SAs with multiple line items, also list in the case note which SA line item was updated to include the shipping and handling costs.

For more information about creating a service record, refer to RUG E-200: Case Service Records.

#### Bids and Shipping and Handling Costs

When an SA is the result of a bid process, do not add shipping and handling (freight) charges to that SA unless the vendor's bid included shipping and handling charges.

Bids include instructions concerning shipping and handling and if the vendor did not include shipping and handling costs in the quote, as required, then the vendor cannot subsequently bill for shipping and handling costs.

## D-205: Purchasing Threshold Requirements

Purchasing thresholds are established to ensure that management oversees purchases in accordance with the VR Grant award (2 CFR 200) regarding the use of internal controls and compliance with state procurement requirements. VR counselors must review associated chapters in the VRSM and VR-SFP in addition to reviewing VRSM E-200: Summary Table of Approvals, Consultations, and Notifications prior to including the service on an IPE and authorizing the purchase of any good or service.

Purchasing threshold requirements are in addition to any other published policies and procedures for the purchase of specific goods and services.

Purchases must not be split (separated into multiple purchases) to avoid purchasing threshold requirements in this section and throughout the VRSM. For more information, refer to VRSM D-203-6: Ethics of Purchasing.

### D-205-1: Approval Requirements by Threshold

All purchases of goods or services must be authorized by the VR counselor and documented clearly in a case note or the customer's IPE and a service authorization must be issued. For more information, refer to VRSM E-300: Case Note Requirements, Service Justification and VRSM B-500: Individualized Plan for Employment and Post-Employment for more details.

The following approvals must be documented using an approval case note or using the RHW Purchase Approval Workflow if combining with other required approvals for the proposed purchase prior to issuing a service authorization for the purchase of a good or service:

* Greater than $5,000 to $15,000 – VR Manager approval required.
* Greater than $15,000 to $25,000 – Regional director or deputy regional director approval required.
* Greater than $25,000 – Regional director or deputy regional director, and VR Division Director approval required.

Refer to VRSM D-205-4: Exceptions to Purchasing Threshold Requirements for a specific list of goods or services that are exempt from these threshold requirements.

For more information, including additional approval, consultation, and notification requirements, refer to VRSM E-200: Summary Table of Approvals, Consultations, and Notifications.

### D-205-2: Pre-purchase Review

In addition to requirements throughout the VRSM and the VR Standards for Providers (VR-SFP), for all purchases that are over $5,000 per service authorization or per customer in a multicustomer SA, a pre-purchase review must be completed by the administrative supervisor, purchasing specialist, or the final approver (e.g., the VR Manager) prior to the purchase. The purpose of a pre-purchase review is to ensure that all required policies, procedures, and approvals applicable to the specific purchase have been followed and as required, documented prior to issuing the service authorization (SA).

When a pre-purchase review is required for a multicustomer SA, separate pre-purchase reviews must be completed for each applicable customer to ensure the purchase is compliant in each case.

When a RHW Purchase Approval is required, the pre-purchase review is completed after or in combination with the RHW Purchase Approval.

Pre-purchase reviews are documented in ReHabWorks using the "Purchasing Pre-review" case note topic or through the RHW Workflow if combining with other approvals. Refer to VRSM E-300: Case Note Requirements, Purchasing Pre-Review for specific documentation requirements.

If an approver has reviewed and documented an element of the pre-purchase review requirements as part of their approval prior to the pre-purchase review, the staff member completing the pre-purchase review does not have to duplicate these efforts during their review or documentation of the review.

Pre-purchase reviews may also be entered as a partial purchasing review or a case reading in TxROCS, but this is not required unless the proposed purchase is returned to the caseload for further action for one of the following reasons:

* Proposed purchase is not clearly supported by existing case documentation.
* Proposed purchase is not in the customer's current IPE or most recent IPE amendment.
* Proposed purchase is not clearly connected to and supportive of vocational objective.
* Proposed purchase not allowable under federal regulations or state requirements.

When a proposed purchase Pre-purchase Review is either "complete" (no further action required) or "returned" to the caseload for further action, the caseload carrying team is notified accordingly.

Refer to VRSM D-205-4: Exceptions to Purchasing Threshold Requirements for a specific list of goods or services that are exempt from these threshold requirements.

### D-205-3: Competitive Bids

Obtaining competitive bids ensures the agency is complying with applicable State purchasing requirements and Federal grant requirements.  We must also apply best value purchasing principles, as outlined in VRSM D-203-2: Best Value Purchasing, to the extent possible.

Services authorizations must not be split to avoid the requirement to obtain bids as this is a violation of State procurement requirements, Federal grant requirements, and purchasing ethics. Therefore, this is subject to corrective action and documentation in the Performance Improvement Plan section of the staff member's next Performance Planning Review.

#### Competitive Bids Required

Competitive bids are required for the purchase of:

* non-contracted goods and services when:
  + the total cost of purchases from a single service provider or
  + the total cost of a single service authorization (SA) is greater than $10,000;
* tuition and required fees greater than $10,000 per semester for training at an out-of-state or private training institution;
* room and board greater than $10,000 per semester when paid directly to a private or out-of-state training institution; and
* room and board greater than $10,000 per semester when paid to an off-campus housing facility, such as apartment complexes or other rental properties.

When competitive bids are required, these bids may be obtained by field staff and must be documented in a purchasing case note as cost comparisons in a RHW case note. At a minimum, the bid documentation must include the:

* name, address, and phone number of the providers contacted; and
* details of the responses from providers, such as brand. make, model, description of good or service, and the prices quoted.

If a potential provider is contacted and is not able or willing to provide a bid (cost estimate), this is referred to as a "no bid"; include this in your documentation.

When the service authorization is generated by field staff for a purchase that requires a bid, RHW saves the SA as a draft. The generation of this draft SA alerts procurement staff, who will review the documentation in RHW to ensure compliance with policies and procedures for the specific purchase, including the documentation of the required bids and justification for the use of VR funds. If there are questions or concerns about the documentation, procurement staff will contact the issuer of the SA. Once procurement staff confirm that there is documentation of the required bids, the SA will be released, and field staff may proceed with the purchase. For additional information about draft SA's, refer to the ReHabWorks Users Guide.

#### Competitive Bids Not Required

Competitive bids are not required for the purchase of:

* goods and services when the total cost of a single SA is less than $10,000;
* goods and services when the total cost of all related purchases from a single service provider is less than $10,000;
* contracted goods and services;
* MAPS purchases;
* tuition and required fees for training at a public training institution in the state of Texas; and
* room and board for training when paid directly to a public training institution in Texas.

If the product or service is not under contract or is not a MAPS purchase, and the cost is less than $10,000, competitive bids are not required; this is referred to as a spot purchase.

Refer to VRSM D-205-4: Exceptions to Purchasing Threshold Requirements for a specific list of goods or services that are exempt from these threshold requirements.

### D-205-4: Exceptions to Purchasing Threshold Requirements

Purchasing threshold requirements are in addition to any other published policies and procedures for the purchase of specific goods and services. If a good or service is listed below as "exempt" from the purchasing threshold requirements in this section of the VRSM, staff must review other sections of the VRSM to ensure that they have complied with all processes and procedures before generating the service authorization.

The following purchases are exempted/excluded from the purchasing threshold requirements throughout VRSM D-205: Purchasing Threshold Requirements:

* contracted hospital services;
* contracted durable medical equipment (DME);
* contracted orientation and mobility or diabetes education services;
* contracted hearing aids and related products;
* interpreter/CART services for students enrolled in training programs for longer than 30 days when paid to paid directly to the training institution or an appropriately contracted service provider;
* medical goods and services, including orthotics and prosthetics and low-vision devices, purchased using MAPS codes;
* tuition, required fees, and room and board for training when paid directly to a public training institution in the state of Texas (excludes room and board paid to other entities, such as apartment complexes and private training institutions);
* contracted vehicle modifications;
* contracted services, as established and described in the VR Standards for Providers manual; and
* all other contracted goods and services to include purchases made using contracts established by the State Comptroller for Public Accounts and the Department of Information Resources (DIR).

#### Multicustomer SAs

The purchasing threshold requirements in VRSM D-205: Purchasing Threshold Requirements do not apply to the total cost of a multicustomer service authorizations. However, threshold requirements do apply to multicustomer service authorizations when a per customer cost reaches one of the threshold amounts. When a per customer cost reaches one of the threshold amounts, including the $5,000 threshold for pre-purchase reviews, the purchase requires the same approvals and reviews as a single non-multicustomer SA would require.

For additional information about multicustomer SAs, refer to VRSM D-213-5: Multicustomer Purchases.

## D-206: Purchasing Restrictions

VR does not pay for or purchase the following for customer use:

* Bonding fees
* Buildings or other structures that require a fixed foundation and/or that are not movable
* Criminal or civil fines or penalties, including traffic tickets
* Deposits that are refundable, other than the initial one-time costs, such as a security deposit or charges for the initiation of utilities, that are required in order for an individual to relocate for a job placement or to participate in VR services. This is authorized as maintenance under 34 CFR §361.5(c)(34)
* Fees for registration of inventions, patents, trademarks, or copyrights
* Fees for use of a franchise name
* Firearms of any kind or components of a firearm
* Insurance other than health insurance premiums for Work Experience Services, practicums, internships, and clinicals. For more information, refer to VRSM C-1401-2: Recurring Maintenance and VRSM C-1401-3: Nonrecurring Maintenance
* Land
* Operating capital (for example, for self-employment)
* State or municipal tax assessments on occupations
* Vehicles to be used on public roads or highways that have not or will not be modified for accessibility and require a certificate of title or registration to be used on roads. Check with the Department of Public Safety (DPS) for more information.
* Trailers, boats, or other items that require a certificate of title or registration to be used on public roads, highways, or waterways. (Check with DPS for more information and specific regulations. For example, many small trailers do not require a title of ownership.)

Exceptions are not allowed to this policy.

### D-206-1: Paying Professional Dues

VR does not pay dues to a professional association or trade union, unless the purchase is justified as critical to the success of the customer's employment.

VR funds cannot be paid to organizations that financially support a lobbyist.

If the VR counselor believes that payment of professional dues is critical to the success of the customer's employment, the VR counselor must enter a case note in RHW that explains the justification for the decision.

The VR Manager must approve payment of any professional association or trade union dues or fees and may consult with TWC Office of General Council as needed to determine if use of VR funds is allowed.

### D-206-2: Payee Restrictions

TWC-VRD has the responsibility to maintain a high level of ethical standard when purchasing goods and services for VR customers. This includes but is not limited to avoiding direct conflicts of interest and the appearance of impropriety in the purchasing of goods and services.

#### Family Members of VR Customers

To prevent a conflict of interest, VR must not purchase goods or services for the customer from a family member.

The term "family" includes:

* spouse;
* child;
* parent;
* grandparent;
* brother;
* sister;
* cousin;
* aunt;
* uncle;
* niece;
* nephew;
* any other individual related by:
  + kinship;
  + adoption; or
  + marriage (such as a step relative, for example, stepchild, stepparent);
* all related individuals who are dependent upon the employee or employee's family member for personal care or services on a continuing basis; and
* all individuals living in the same household with the employee or with an employee's family member (regardless of kinship).

The only exceptions to this policy include purchase of personal assistant services, childcare services, or transportation services, which may be purchased from a customer's family member. Refer to VRSM C-1403: Personal Assistant Services, VRSM C-1405: Child Care Services, and VRSM C-1402: Transportation Services.

#### Customer Representatives

To prevent a conflict of interest, VR must not purchase goods or services for the customer from a provider who is serving as the customer's representative.

Goods and services may be purchased from a provider who is serving as the customer's representative only:

* before the customer designates the provider as his or her representative; or
* after the customer has revoked the provider's authority to act as his or her representative.

Exceptions are not allowed to this policy.

For additional information, refer to VRSM D-203-6: Ethics of Purchasing and VRSM C-105-3: Counseling and Guidance Ethics.

### D-206-3: Out-of-State Purchases

The code of federal regulations (CFR) §361.50 (b)(1) allows TWC-VR "to establish a preference for in-state services, provided that the preference does not effectively deny an individual a necessary service. In compliance with CFR §361.50 (b)(2) TWC-VR does not prohibit the provision of out-of-state services." However, "if the individual chooses an out-of-state service at a higher cost than an in-state service, if either service would meet the individual's rehabilitation needs, TWC-VR is not responsible for those costs in excess of the cost of the in-state service."

Customers that are SSI/SSDI recipients are exempt from limitations and required participation in the cost of training services. CFR states §361.54(b)(3)(ii) “The designated State unit may not apply a financial need test or require the financial participation of the individual -as a condition for furnishing any vocational rehabilitation service if the individual in need of the service has been determined eligible for Social Security benefits under titles II or XVI of the Social Security Act”.

The term "out-of-state" is defined as a provider whose point-of-service address or place of doing business is located outside Texas. This term is not intended to describe, define or include providers whose brick-and-mortar business operations are within Texas but for whom the payment (remit) address of record is outside Texas.

#### Out-of-State Training Services

The purchase of training services or related support services from out-of-state providers requires VR Manager approval. This includes online or correspondence training purchased from providers that are not physically located in Texas. For additional information about policies, procedures, and requirements, refer to VRSM C-400: Training Services.

Purchasing an out-of-state training service that is ordinarily regulated in Texas but is not regulated in the state where the service is provided, requires consultation with the state office program specialist assigned to the specific type of training and VR Manager approval. Note: This includes out-of-state proprietary and vocational training. For specific information about licensing requirements, refer to VRSM C-411: Training from Career and Technical or Certified Schools (Proprietary Institutions) and VRSM C-413: Training by Paid Instructor or Exempt Schools.

#### Out-of-State MAPS Services

Out-of-state MAPS services must also be purchased from providers who are properly credentialed. To ensure that a provider is properly credentialed, consult with the [State Office Program Specialist for MAPS Provider Services](mailto:vr.rhw.maps@twc.texas.gov).

Consultation with the State Office Program Specialist for MAPS Provider Services is required to purchase MAPS services from an out-of-state provider.

#### Records from Out-of-State Providers

The purchase of medical records or training transcripts from out-of-state providers does not require out-of-state approvals.

#### Contracted Out-of-State Goods and Services

Goods or services purchased under contract from an out-of-state provider do not require additional out-of-state approvals. This includes contracted out-of-state training providers and purchases made using contracts established by the State Comptroller for Public Accounts and the Department of Information Resources (DIR). However, all other required processes and procedures specific to that good or service must be applied.

#### Noncontracted Out-of-State Goods or Services

Purchase of any good or service from an out-of-state provider that is normally purchased under a contract, but the out-of-state provider does not have a contract for that good or service with TWC-VR, requires consultation with the state office program specialist assigned to the specific good or service and VR Manager approval.

Once approved, a contract exception must be completed. For information about the contract exception process, refer to VRSM D-210: Exceptions to Contracted Fees and MAPS Fees. Purchases of any other non-contracted goods or services from an out-of-state provider that are not specifically referenced in this section requires VR Manager approval prior to purchase.

#### Noncontracted Out-of-State Goods or Services Greater Than One Thousand Dollars ($1,000)

The purchase of goods or services from an out-of-state provider that cost greater than one thousand dollars ($1,000) per service authorization requires VR Manager approval. All other required approvals, including those in VRSM D-205: Purchasing Thresholds, must be applied. Processes and procedures specific to that good or service must also be applied.

### D-206-4: Taxes

Purchases made for the State of Texas are not subject to Texas sales taxes per Texas Administrative Code Title 34, Part 1, Chapter 3, Rule §3.322.

State agencies are not automatically exempt from paying any tax or fee assessed by the United States, another state, or the State of Texas; however, the State of Texas is exempt from paying sales and use taxes. A taxable item sold, leased, or rented to the State, or a taxable item stored, used, or consumed by the State is exempt from the following taxes and surcharges:

* Retail sales tax
* Tax on leases and rentals of most goods (except vehicles)
* Tax on services

VR staff must inform new providers that purchases made for the State are not subject to Texas sales taxes.

When purchasing goods from providers in other states, out-of-state sales tax must not be paid when:

* the Free-on-Board (FOB) destination is specified on the service authorization (SA); and
* delivery is to a Texas address.

A statement is included on all SAs that ensures that providers are reminded of this restriction on each SA.

State agencies are not exempt from paying certain taxes or fees assessed by the State of Texas or cities in Texas. For example, tax exempt status does not apply to vehicle rentals.

## D-207: Ordering Goods or Services for Customers

Goods and services must be authorized with an SA before obtaining a good or service. The issue date of the SA must be dated on or before the start date.

### D-207-1: Free-on-Board (FOB) Destination

When issuing an SA for goods that will be shipped to the VR office or directly to the customer, include "FOB destination" on the SA as a condition of the purchase.

If the provider does not ship FOB destination, the VR counselor locates another vendor, if possible.

FOB means that VR does not own the goods until they arrive and are accepted at the destination identified on the SA. The risk of loss to goods does not pass to VR until the goods are delivered and the shipment is accepted. When goods are damaged in transit or are not accepted or received, the provider ships new or replacement goods without additional expense to VR.

### D-207-2: Verifying Receipt of Goods and Services

An essential part of the purchasing process is to confirm that:

* the goods were delivered in good condition and met the specifications; or
* the services were completed according to the specifications.

### D-207-3: Accepting a Delivery of Goods

When customer purchases are delivered to a VR office, the deliveries are processed in the same way that other administrative deliveries are processed.

Before accepting the delivery, VR staff:

1. verify that the shipment is addressed to the appropriate office;
2. inspect the shipping packages for any visible damage; and
3. ensure that the shipment contains the number of packages stated on the shipping documentation; and
4. acknowledge the shipment by signing the shipping document, if the shipment:
   * appears undamaged;
   * matches the quantity on the shipping document; and
   * is correctly addressed to the receiving VR office.

After accepting the delivery, VR staff assesses and documents the shipment's status in an RHW case note.

If the shipment appears damaged but the damage seems minor, VR staff:

* accepts the shipment, noting the number of damaged packages on the shipping document; or
* refuses the shipment, noting that the refusal is due to damages to the shipment.

If the damage is or appears to be severe, VR staff:

* refuses the shipment, noting the refusal and the damages on the shipping document; and
* notifies the vendor and the VR counselor about the damaged shipment.

VR staff does not accept:

* goods that arrive COD (that is, collect or cash on delivery); or
* deliveries made to the wrong office.

If a vendor erroneously ships COD, the VR staff member refuses the shipment.

If goods or services do not meet the appropriate conditions listed above, the VR staff member initiates corrections. When the goods or services meet the conditions, the VR staff member documents the receipt in RHW.

#### Recording Serial Numbers

When a good that is received at a VR office has a serial number, the serial number must be recorded as part of the documentation when delivery of a good is accepted. Until a field is added to RHW for recording the information as part of the receipt process, the VR staff member enters it in a RHW case note for future reference.

### D-207-4: Documenting Receipt of Services

To verify that services were delivered, VR staff:

1. contacts the customer or the customer's representative by email, by phone, or in person; or
2. obtains written documentation that includes the customer's or representative's signature.

#### Verification by Email, Phone, or In Person

VR staff documents contacts with the customer or the customer's representation in a case note in RHW. VR staff contacts the customer to verify that the service met the specifications and documents the contact in a case note.

If the customer is not available to verify receipt of the service, VR staff must document in case notes, in a timely manner, all attempts to verify receipt of the service.

If 20 days have passed since receipt of the invoice and attempts to contact the customer have been unsuccessful, VR staff:

1. continues to attempt contacting the customer; and
2. records in case notes each attempt.

#### Verification by Written Documentation

Some goods and services require that the customer verify receipt of the good or service by signing a specific document or form. These requirements are stated in the chapter that corresponds to the service or in the SFP and can also be stated on the required form.

When VR staff obtains written documentation that includes the customer's signature verifying that the service met the specifications, the documentation is filed in the customer's paper case file.

When a customer's signature is required, but the customer cannot be contacted to obtain the signature, VR staff contacts the VR Supervisor for guidance. VR staff must document in case notes, in a timely manner, all attempts to contact the customer to obtain the required signature.

#### Verification by the Customer's Representative

If someone other than the customer or the customer's representative serves as the contact, see VRSM A-207: Confidentiality and Use of Customer Records and Information.

#### Payment Action Items

For payment of services related to maintenance or transportation, RHW automatically creates an action item to receive the records once an SA is generated. See the ReHabWorks User's Guide: E-500: Case Authorizing Payment, E-502: Maintenance and Transportation for additional instructions.

#### Provider Reports

In some cases, VR purchases a service that requires the provider to submit a report, for example, submitting the results of a medical examination in the form of a medical report.

The receive date is the date that the examination (the service) takes place.

The invoice receive date is the date that the invoice was received for the service that was provided.

The report receive date is an additional date in RHW that is entered for all services that require a report. The report receive date is the date that the report is received in the office listed on the SA. VR staff enters the receive date for the report in RHW within seven calendar days of receiving a complete and accurate report.

All of these dates must be entered into RHW before the payment can be authorized.

For a detailed list of services that have report requirements, refer to the ReHabWorks User's Guide, Appendix G: Service Category Descriptions.

### D-207-5: Customer Warrants Mailed to the VR Office

VR Manager approval is required before VR staff arranges that a customer's warrant is mailed to the VR office.

When a transportation warrant is received in the VR office, the VR counselor or RA:

1. documents the receipt of the warrant in RHW. The case note must contain:
   * the date that the warrant was received, and
   * the warrant number and amount.
2. contacts the customer and documents the contact in RHW; and
3. documents in RHW once the customer obtains the warrant. The case note must contain:
   * the date that the warrant was received by the customer, and
   * the warrant number and amount.

Until the customer receives the warrant, it must be stored under lock and key.

## D-208: Invoices

Vendors must submit invoices to the office address listed on the SA.

The invoice must comply with:

* the applicable contract;
* the policies and procedures published in the VR-SFP;
* the policies and procedures published in the VRSM; and
* the terms and conditions of the SA.

Note: For Advise TX IO services, refer to the Advise TX IO Purchasing Guide on the VR intranet site.

Within seven calendar days of receiving an invoice, the staff member must:

1. verify that the invoice is complete;
2. acknowledge receipt of the invoice in RHW; and
3. authorize the payment, if the goods and/or services have been received (for more information, see the ReHabWorks User's Guide: E-500: Case Authorizing Payment).

### D-208-1: Date Stamping Invoices

The front of all invoices must be date-stamped upon receipt in the VR office.

If the envelope is date-stamped, the VR staff member keeps the envelope as part of the paper case file.

If the invoice is received by email, the VR staff member:

1. prints the invoice; and
2. stamps it with the date received in the office.

If the invoice is received by fax and the date on the fax tagline is correct and up-to-date, then that date reflects the date that the good was received in the office, and the fax are placed in the paper case file.

### D-208-2: Elements of an Invoice

Vendor invoices must include, at a minimum:

* the vendor's complete name and remittance address including city, state, and ZIP code;
* the vendor's 14-digit Texas vendor identification number;
* the vendor's telephone number, email address, or fax number;
* the SA number;
* the name and address of the VR office, or the delivery address, as applicable;
* the contract number;
* a description of the goods or services provided, including the dates of service  
  (Note: The ReHabWorks SA description and the description on the vendor's invoice do not need to be identical, but the two should be clearly relatable and functionally equivalent.);
* the quantity and unit cost being billed, as documented on the current SA;
* other relevant information supporting and explaining the payment requested or identifying a successor organization to an original vendor, if necessary; and
* any other information required by applicable state and federal laws, rules, and regulations governing the provision of services under the contract and the relevant policies and standards.

For outcome-based services, such as job placement and supported employment, the date of service is the date that the customer achieved the benchmark.

### D-208-3: Incomplete or Inaccurate Invoices

VR staff must not authorize payment for a product or service without an accurate and complete invoice from the provider. When an invoice is inaccurate or incomplete, VR staff return it to the vendor for correction by completing a VR3460, Vendor Invoice Additional Data Request. The VR 3460 identifies additional information TWC-VR requires to process payment.

Do not acknowledge receipt of an inaccurate or incomplete invoice in RHW until the provider submits a corrected invoice or until the disputed point is resolved.

VR staff must:

1. complete the VR3460, Vendor Invoice Additional Data Request in RHW, which will generate a case note in RHW;

* If RHW is not available and the VR3460 is completed outside of RHW, create a RHW case note to document the date on which the invoice was returned to the vendor and the reason for the return;

1. return the invoice and the VR3460, Vendor Invoice Additional Data Request, to the vendor within 21 days of receiving the invoice; and
2. once the corrected invoice is received, date-stamp the corrected invoice and use it as the invoice of record for the purchase.

* This date is the invoice received date in RHW.

If billing for medically related purchases (professional medical services, durable medical equipment, hearing aids, and hospital services) lacks the required invoice data, but all other information on the billing is accurate and complete, the VR staff member attaches the RHW system-generated billing cover sheet for the SA to the billing statement and files the documents in the VR case file. The combination of the two documents serves as the invoice for the associated SA.

When advance payment is authorized by VRSM D-213-2: Advance Payments, the vendor's billing statement may be used as the invoice for receiving and paying. If the vendor's billing statement for advance payment situations lacks the required invoice data but all other information is accurate and complete, the VR staff member attaches the RHW system-generated billing cover sheet for the SA to the billing statement. The combination of the two documents serves as the invoice for the associated SA. For additional information about advance payments, refer to VRSM D-213-2: Advance Payments.

All other billing must be invoiced on the provider's or contractor's paperwork that includes all required invoice data.

Do not send the RHW system-generated billing cover sheet to the service provider.

### D-208-4: Invoice Is Not Received

The VR staff member must not enter an invoice-received-date in RHW before receiving and verifying the invoice.

When vendors do not submit invoices in a timely manner, the VR staff member follows up with the service provider by contacting the provider's accounts payable department.

If the provider does not have an invoicing system or template, the VR staff member refers the provider to the invoice templates posted on the [UNTWISE website](https://wise.unt.edu/content/invoice-examples) for examples of invoices that include all required elements.

### D-208-5: Invoice Includes a Late Payment Fee

Fees for late payments are automatically calculated and paid by the state comptroller to meet the requirements of the Texas Prompt Payment Act. Late fees are determined based on the received and invoice dates that are entered into RHW.

VR does not pay late fees that are directly invoiced by the provider.

If a provider submits an invoice that includes a late payment fee, the VR staff member:

1. does not pay the late fee;
2. notes the late fee on the invoice;
3. subtracts the late fee from the invoice total; and
4. authorizes payment for the corrected amount.

### D-208-6: Three-Way Match

Three-way match is the process of reconciling a service authorization, the documentation of the receipt of goods or services, and the provider invoice prior to authorizing the payment. This process helps to ensure that the payment to the provider is necessary, appropriate, and accurate.

Service Authorization + Documentation of Receipt + Invoice = Payment

To complete the three-way match, VR staff should be able to match the description, the quantity, and the costs on the service authorization with the required documentation to verify receipt of goods or services, and the provider’s invoice. Refer to VRSM D-207: Ordering Goods or Services for Customers for more information.

When VR staff cannot reconcile all three elements per required policies and procedures, the receipt should not be entered in ReHabWorks and the payment should not be processed until any issues are resolved.

### D-208-7: Acknowledging Receipt of an Invoice in ReHabWorks

See the ReHabWorks User's Guide: E-400: Case Acknowledgement of Receipt, E-401-3: Adding or Updating a Receive Item for detailed instructions.

## D-209: Types of Purchases

Goods and services can be purchased for customers from a variety of community rehabilitation programs and vendors, including contracted providers, noncontracted providers, and medical service providers.

Each type of purchase has steps that must be completed to ensure compliance with state comptroller's purchasing requirements.

### D-209-1: Noncompetitive Purchases

Noncompetitive purchases are those purchases of goods and/or services from a single vendor that cost $10,000 or less. These purchases do not require competitive bids, but they must conform to the purchasing guidelines and principles stated in this chapter and in the applicable chapters of the VRSM and VR Standards for Providers related to the good or service being purchased.

Purchases of goods and/or services from a single vendor that cost more than $10,000 must be competitively bid or approved as a proprietary or sole source purchase. For more information, refer to VRSM D-205-3: Competitive Bids and VRSM D-209-2: Proprietary and Sole Source Purchases.

Exception: Medical goods and services purchased using MAPS codes, contracted goods and services, and in-state public college/university tuition and fees do not require a competitive bid.

For information about obtaining required bids (for example, RHW bid requests), VR staff contacts the TWC Purchasing Team at [consumer.procurement@twc.texas.gov](mailto:consumer.procurement@twc.texas.gov).

### D-209-2: Proprietary and Sole Source Purchases

A proprietary or sole source purchase is made when only one brand name (manufacturer) or only one provider can meet TWC's specifications for the product or service because of distinctive features or characteristics that are not provided by competing companies, similar products, or comparable services.

When the specifications limit consideration to one product or supplier, the paper case file must contain a complete and approved VR1322, Proprietary Purchase Justification.

Justification for a proprietary or sole source purchase is required, if the above condition and one or more of the following apply:

* The planned purchase exceeds $10,000
* The planned purchase does not involve MAPS
* The planned purchase is not for tuition and fees
* No contract is required

A proprietary purchase or sole source transaction must not exceed $25,000. Exceptions are not allowed to this policy.

An example of a proprietary purchase is a Humanware BrailleNote Notetaker, a unique device that is available from only one provider.

### D-209-3: Contracted Goods and Services

When purchasing contracted goods and services, the VR counselor refers to the:

* VR Standards for Providers; and
* TWC Procurement and Contract Handbook.

Contract Administration staff members solicit and manage contracts for VR goods and services. Some goods and services must be purchased under contract. Before purchasing a good or service, staff members use RHW to find out whether a contract is required. When the service authorization (SA) is generated, RHW assigns the contract number based on the vendor and the type of purchase. Refer to RUG E-200: Case Service Records for more information about creating a service record.

Customer goods and services that are purchased under contract include, but are not limited to, the following:

* Employment assessments
* Orientation and Mobility services
* Hearing aids and related accessories
* Diabetes Self-Management Education services
* Durable medical equipment
* Assistive technology
* Supportive Residential Services for Persons in Recovery
* Work Readiness services
* Work Experience
* Pre-Employment Transition services
* Project SEARCH and similar programs
* Basic Employment services
* Supported Employment services
* Self-Employment services (including supported self-employment)
* Employment Supports for Brain Injury services
* Vehicle modifications
* Intensive Work Preparation and Life Skills Training

When purchasing an outcome-based contracted training service, such as Vocational Adjustment Training, the service is purchased no more than one time. When there is a significant change in circumstances that may justify an additional purchase of the same service, approval and completion of VR3472, Contracted Service Modification Request, is required. Refer to VRSM D-210-4: Completing VR3472, Contracted Service Modification Request for more information.

#### Ensuring a Valid Contract

Before issuing an SA, VR must:

1. note the contract number on the documentation for a good or service purchased under contract; and
2. ensure that the contract number is current on the service record.

When creating a service record in RHW to purchase goods or services that require a contract, VR staff ensures that the contract for the selected good or service is valid for the entire planned period of service.

To confirm that a contract is valid for the entire planned period of service, VR staff:

1. Reviews the provider's contract information in RHW on the Service Record page by selecting:
   * the Vendor Detail button;
   * the vendor's name; and
   * the contract number; and
2. Reads the contract details carefully to ensure that:
   * the contracted good or service is included in the contract; and
   * the dates of service are within the contract's start and end dates.

If the contract is not valid when the good or service is purchased or delivered, VR staff does not use that good or service but instead:

1. continues to search in RHW for a valid good or service; and
2. consults with the VR Manager if you are unable to locate a valid good or service.
3. enters in the comments section of the SA all special instructions or requirements for the specific good or service being purchased.

### D-209-4: Billing for Medical and Psychological Services

Payment for medical and psychological services must be authorized by VR and must support VR services and goals.

Medical and psychological services purchased for customers must use MAPS coding and pricing in RHW. No other type of SA may be issued.

Medical and psychological services, including medical goods and supplies, are purchased using MAPS coding and pricing. MAPS codes establish the maximum payment that can be authorized for these services. VR staff members work closely with the provider to ensure that payment corresponds to the correct MAPS codes. Treatment decisions and accurate identification of the applicable MAPS code are the responsibility of the customer's health care provider and designated program staff members or consultants.

The Medical Services Required Practices Handbook provides additional guidance to the medical services coordinator (MSC), VR counselors, and rehabilitation assistants who coordinate medical services for VR customers. The Medical Services Required Practices Handbook is located on the Medical Services intranet page under Took Kit.

For additional information about purchasing medical services, refer to VRSM C-700: Medical Services.

## D-210: Exceptions to Contracted Fees and MAPS Fees

Fees are not authorized if they are greater than:

* the contracted fee for a specific service; or
* the MAPS fee.

VR staff are not permitted to authorize exceptions to fees that exceed the contracted fee or MAPS fee.

### D-210-1: Exceptions to Contracts

Contracts are required for the purchase of most goods and services. Before creating a service record, Vocational Rehabilitation (VR) staff checks ReHabWorks (RHW) to verify whether a contract is required.

If a contract is required, case-by-case exceptions to a contract requirement may be approved only in situations where the exception is:

* in the best interest of VR;
* in the best interest of the VR customer;
* necessary and appropriate;
* in accordance with the customer's individualized plan for employment; and
* in accordance with state or federal laws.

Exceptions are:

* reviewed by the VR Manager and regional director or deputy regional director; and
* approved by the VR Services division director.

### D-210-2: Process for Exceptions to Non-Hospital Contracts

The following process applies to all contracts except for hospital contracts. For information about exceptions to hospital contracts, refer to VRSM D-210-3: Exceptions to Hospital Contracts.

1. The VR counselor documents a contract exception request in RHW using the workflow drop-down selection of Non-Hospital Contract Exceptions.
2. The VR Manager reviews and agrees to or denies the request in RHW.
3. The regional director or deputy regional director reviews and agrees to or denies the request in RHW.
4. The VR Services division director:
   * reviews the request; and
   * approves or denies the request.

### D-210-3: Exceptions to Hospital Contracts

If a customer needs a medical service at a hospital that does not have a VR contract:

1. The assigned MSC contacts the regional quality assurance specialist to review the VR need for the procedure and that it was well documented.
2. The regional quality assurance specialist will send the VR3423 form to the CMU mailbox for assignment to a contract manager.
3. The assigned contract manager will negotiate a rate for the contract exception.
4. The contract manager will then submit the VR3423, Exception to Contracted Hospital Purchase form to the VR Division Director for final approval.
5. The contract manager will return the executed VR3423 to the regional quality assurance specialist.

Hospital contract payments that are below the contracted rate or made in addition to the contracted rate are permitted when the customer's circumstances warrant. Refer to VRSM C-702-6: Reduced Payment Agreement for additional information, including information on the use of VR3422, Reduced Payment Agreement.

### D-210-4: Completing VR3472, Contracted Service Modification Request

When necessary, services described in the VR-SFP manual can be changed to meet a customer's needs. If the service definition, procedures, or deliverables for a service are changed from the way that they are described in the VR-SFP manual, services cannot be provided until a VR3472, Contracted Service Modification Request, is completed and approved by the Director of the Vocational Rehabilitation Division. The Director of the Vocational Rehabilitation Division may delegate signature authority for approval of the VR3472.

The VR counselor completes a VR3472 when a contract modification is necessary; the VR counselor obtains any information needed from the contractor and the contractor's signature. When a contractor requests a service modification, the VR counselor will make the final decision whether to submit the contractor's request for review. The contracted service modification is only valid and can be put into effect after approval by the Director of the Vocational Rehabilitation Division or the delegated signature authority.

The VR counselor:

* enters all information into the VR3472 electronically;
* obtains approval from the manager or supervisor who documents approval on the form;
* obtains signatures from the provider's legally authorized representative on the form; and
* upon receiving approval, retains a copy of the form in the customer's paper file, and an approved copy is provided to the contractor.

The approved form must be submitted with the invoice, when applicable.

Examples of when a VR3472 must be completed include, but are not limited to, purchasing:

* Assistive Technology training on a product that is not on the approved Assistive Technology Unit product list;
* Orientation and Mobility training that must occur without the customer using a blindfold;
* Diabetes post-training assessment to be completed before 30 calendar days have elapsed after training;
* Providing service that can only be provided in person remotely;
* More than 200 hours of Job Skills Training;
* More than 15 hours of Diabetes Educator Training;
* A specific Vocational Adjustment Training, such as VAT-Explore the "You" in Work, more than once for a customer;
* Part of a service from one provider and another part from another provider; for example, Benchmark 1A and 1B from provider A and Benchmarks 2–6 from provider B;
* Bundled Job Placement after Non-Bundled Job Placement Services have been purchased; and
* Supported Employment Services after the purchase of Job Placement Services.

For additional information, refer to VR-SFP Chapter 3: Basic Standards, sections 3.2.14 Documentation, 3.2.16 Signatures, and 3.4.11 Contracted Services Modification Request.

### D-210-5: Exceptions to Contracted Fees

Fees greater than the contracted fee for a specific service are not allowed. Exceptions are not allowed to this policy.

### D-210-6: Contract Exceptions—Approval and Consultation

For information about approval and consultation required for contract exceptions, refer to specific service-related chapters of the VRSM and to VRSM C-100: Introduction to VR Process.

### D-210-7: Noncontract Purchases from Contract Providers

Goods or services that do not require a contract can be purchased from a provider that already supplies contracted goods or services to VR.

## D-211: Setting Up and Paying Providers

Part of the process to set up and pay providers requires VR staff to ensure that the vendor, customer, or individual:

* has the necessary qualifications, credentials, and/or licenses;
* is established in ReHabWorks (RHW) as a provider; and
* is linked to the appropriate specifications.

after the steps above have been taken, VR staff should:

* commit to a specific service from a vendor, customer, or individual;
* generate a service record; and
* issue a service authorization.

If the service provider, customer, or individual is not already established as a provider, VR staff (generally the unit purchasing specialist) sends the TWC Substitute W9 and Direct Deposit Form (VR1020) with instructions to the potential vendor for its completion.

VR staff explains that the purpose of the VR1020 is to gather information required to establish the provider as a vendor with the State of Texas, enabling VR staff to:

* establish the provider in ReHabWorks;
* issue service authorizations and payments; and
* complete IRS Form 1099, which documents the amount paid to the vendor for tax purposes.

The prospective vendor returns the completed form to the providing VR staff member.

If it is necessary to enter data about customers, parents, and/or guardians into RHW to enable payment of maintenance, periodic transportation, customer airfare, and the like:

* VR staff provides the customer (parent or guardian, if applicable) with the Consumer or Parent/Guardian Information and Direct Deposit Form (VR1021) with the instructions; and
* the customer (or parent or guardian) returns the completed form to the VR staff member.

The Unit Purchasing Specialist (UPS) or VR staff member reviews the forms for completeness and accuracy of data to the extent possible. If the form is incomplete or inaccurate, the UPS or VR staff member returns it to the prospective vendor or customer (or parent or guardian) and requests that the form be corrected and resubmitted.

As applicable for purchased goods and services, the UPS works with the requesting staff member to verify that the provider has the necessary qualifications, credentials, and/or licenses before requesting the vendor be set up and linked. Refer to the applicable policy for the good or service for qualification requirements, such as VRSM C-400: Training Services for licensure and accreditation requirements for schools or VRSM C-700: Medical Services and Equipment for credential requirements for therapeutic providers.

The UPS or VR staff member emails the appropriately completed form to [VR RHW Provider Services](mailto:vr.rhw.providerservices@twc.texas.gov) and includes the RHW specification-level codes and descriptions to which the vendor or customer should be linked.

VR RHW Provider Services or other state office program specialists will ensure that the provider has the required qualifications, credentials, and/or licenses for the service and RHW specification-level code requested. If additional information is needed, VR RHW Provider Services will work with the UPS or VR staff member to obtain the required information.

VR RHW Provider Services staff checks WRAPS, Texas Comptroller of Public Accounts (for taxpayer identification numbers (TINS)), and RHW according to the information from the VR1020 and VR1021.

If the information is not listed in any of the three databases or shows discrepancies in WRAPS, TINS, or RHW, an email copying the requesting UPS or VR staff member is sent to [VndrSetupMaint\_W9](mailto:vndrsetupmaint_w9@twc.texas.gov)requesting the processing of the attached VR1020 or VR1021. TWC Vendor Setup then processes VR1020 or VR1021 by entering required information into the databases to establish the vendor and set up direct deposit, as appropriate.

Upon completion of the requested setup:

* Vendor Setup Management emails VR RHW Provider Services to inform them that the vendor setup is complete; and
* the vendor information is downloaded overnight into RHW from WRAPS.

The VR RHW Provider Services unit verifies all information entered from the VR1020 or VR1021, creates the physical location, and establishes the requested goods and services link in RHW.

VR RHW Provider Services emails to the UPS or VR staff requester the newly established full VID number with notification that the requested vendor set-up is complete.

VR1020 and VR1021 include additional instructions for completing and submitting the forms to establish the vendors in RHW.

Note: State law prohibits the Texas Comptroller of Public Accounts from paying funds directly to anyone who owes the state because of certain taxes, student loans or child support.

Refer to VRSM D-206-2: Payee Restrictions for additional policies and procedures regarding restrictions related to the provider's association with the VR customer and how this may impact the purchase of goods and services.

Note: VR staff sends all vendor-related forms and inquires to the [VR RHW Provider Services mailbox](mailto:vr.rhw.providerservices@twc.texas.gov). VR RHW Provider Services acts as a clearinghouse for RHW vendor-related information and requests and will route all forms or inquiries to the appropriate office.

## D-212: Creating the Service Authorization

Any VR staff member with an appropriate RHW user role can create a service record and generate an SA, or pay for a service, as long as the VR counselor or supervisor has documented the authorization for the purchase.

#### Mismatched Identification in Service Authorizations

If a customer has not legally changed his or her name but wishes to be identified by another name, the following statement must be put on the SA in the comment section.

Example: "Joe Smith is the customer's legal name; however, the customer identifies as Jane Smith."

### D-212-1: Creating the Service Record—The Program Year

To determine the program year for services, the VR staff member:

1. selects the program year in which the service occurs; and
2. prorates when crossing program years.

For goods and supplies, the VR staff member selects the program year in which the goods were ordered.

For more information about how to prorate cost, refer to VRSM D-212-2: Crossing State Fiscal Years, Prorating Services.

### D-212-2: Crossing State Fiscal Years

State funding and the expenditure of state funds are based on the state fiscal year (SFY). The SFY starts on September 1 and ends on August 31.

#### Ordering and Receiving Goods across Fiscal Years

When creating service records for goods, the Vocational Rehabilitation (VR) staff members use the budget applicable to the state fiscal year in which the goods are ordered. The anticipated or actual receive date does not have to fall within the start and end dates of that state fiscal year and may fall within the following state fiscal year.

Example 1: An order for a wheelchair is submitted on August 3, 2021, using 2021 VR Basic Support funds. The start date is the date the order was placed (August 3, 2021), and the end date is August 31. Since this order is for a good, not a service, the receive date may be later than the service record/service authorization (SR/SA) end date. If the chair arrives on September 27, 2021, and is in good condition, then the VR staff member enters "09/27/2021" as the receive date in RHW.

Example 2: An order for a customer's fall semester textbooks, workbooks, pens, and other supplies is created and placed on August 15, 2021, using 2021 VR Basic Support funds. The start date is the date the order was placed (August 15, 2021), and the end date is August 31. Because this order is for goods, not services, the receive date may be later than the SR/SA end date. The goods are received on September 2, and the VR staff member enters "09/02/2021" as the receive date in RHW.

In both of the examples above, the SR end date is the end of the state fiscal year. Per Texas Comptroller of Public Accounts requirements, one SR line item may not have dates from two different state fiscal years.

When ordering goods for which the anticipated receive date is after the end of the state fiscal year, VR staff members enter the end date of the state fiscal year as the SR end date.

Please note: For this procedure to work correctly in RHW, the SR must be created with a "goods" service category code. If a "services" service category code is used instead, RHW will not allow the receive date to be after the end date.

#### Prorating Services

VR staff must charge services to the state fiscal year in which the service occurred with the exception of tuition and fees.

When part of a service will be provided during the next state fiscal year, the VR staff member charges that part to that fiscal year. When setting up the service record, the staff member creates separate line items—one for each state fiscal year—and prorates the charge proportionately.

Example: When one week of service occurs in August and two weeks of service occur in September, charge one-third to August and two-thirds to September.

When prorating, the VR staff member must:

* not put zero in the Unit Amount or Unit Cost (the staff member makes an informed estimate of the cost and increases or decreases the amount in the SA later);
* use 30 days for all months when prorating a monthly payment; and
* enter amounts for line items (line-item amounts do not have to be precise, but the total of the line items must equal the total amount due).

For more information about prorating payment, see RUG E-200: Case Service Records.

#### Prorating Tuition and Fees Only

To pay the fall tuition and fees at a college or university, the staff member can either:

* use funds for the fiscal year in which the semester begins; or
* prorate the cost with VR Manager approval.

Unless otherwise directed, Management Units that still have funds available for the current fiscal year should encumber the tuition and fees portion of an SA for the fall semester at an institution of higher learning using only the basic budget for the current fiscal year.

When taking this approach, staff members must keep the following critical points in mind:

* Does the office or caseload have sufficient funding to charge the full tuition to the current fiscal year budget or has the VR Manager authorized prorating tuition and fees?
* Charge only the tuition and fees portion to the current budget. Costs for dorm rooms, meal plans, parking, and all other non-tuition/fees service expenses must still be prorated, as required by the state comptroller's office; and
* For RHW to allow the use of only current state fiscal year funds on the tuition line in an SA, the start and end dates must be in August; for example, 08/14/2018 to 08/31/2018 (use the SA comments to document the actual full dates of service).

For additional information about the policies and procedures for paying tuition and fees, including service record specifications levels to use for training, refer to VRSM C-400: Training Services.

## D-213: Other Types of Payments and Purchases

The types of payments and purchases that can be processed in RHW include:

* periodic payments;
* advance payments; and
* restricted donations.

### D-213-1: Periodic Payments

Periodic payments are used when a service is provided and paid over a defined but recurring period (for example, training programs that bill monthly, or reader services that bill at regular intervals).

The receive date for periodic payments is the last day of the billing period. When the periodic payment is for one month, for example, the receive date for each payment is the last day of the month.

For information about how to enter a periodic payment in RHW, see the ReHabWorks User's Guide: E-500: Case Authorizing Payment.

### D-213-2: Advance Payments

Advance payment or prepayment occurs when payment for a customer service is issued before the service is delivered. Payment usually is not made until a service is received.

Customer services for which advance payment may be authorized are described in the Advance Payment Table below.

When advance payment is authorized, payment authorization must be delegated in accordance with RHW procedures.

#### Advance Payment Table

The table below lists the only circumstances under which an advance payment may be issued. Advance payments may be received and authorized anytime from the "pay as early as" date to the actual completion date of the service. The date entered in the receipt acknowledgment field in RHW is the receive date. Use the billing statement as the invoice for receiving and paying. If the vendor's billing statement for advance payment situations lacks the required invoice data but all other information is accurate and complete, the VR staff member attaches the RHW system-generated billing cover sheet for the SA to the billing statement. The combination of the two documents serves as the invoice for the associated SA.

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| --- | --- |
| **Advanced Pay Situations** | **Pay as early as** |
| Maintenance | Seven days before the start date |
| Transportation | Seven days before the start date |
| Child Care | Seven days before the start date |
| Academic and vocational training and training-related services (when provided by an accredited college or university over a semester or quarter) | Time of enrollment |
| Vocational or technical training (when provided by an accredited training institution) | Time of enrollment |
| \*Room and board to support planned training activities | 14 days before the start date |
| State board licenses the registration for an exam | 14 days before the start date |
| Medical Records – only in circumstances in which advanced payment is required by the provider | Same day the SA is issued |

\*For example, if a customer's room and board had a start date of 8/16/2020 and an end date of 12/17/2020, the payment could be received any day between 8/2/2020 and 12/17/2020. If the bill or receipt is entered on 8/7/2020, the receive date entered in RHW is 8/7/2020.

### D-213-3: Restricted Donations Payments

A restricted donation is a cash donation made to VR to provide services to VR customers for a specific purpose, program, VR office, or caseload. When a restricted donation is received, the receiving office immediately notifies the office of the VR Division Director.

### D-213-4: Payment Discounts

For information on how to apply payment discounts, see the ReHabWorks User's Guide: E-400: Case Acknowledgement of Receipt, E-401-1: Payment Discounts.

### D-213-5: Multicustomer Purchases

A multicustomer purchase is made when services are purchased from a single provider for multiple customers. Customers may be on or from the same or different caseloads.

A multicustomer service record (SR) completed in RHW serves the same function as an individual SR and is used to create a multicustomer service authorization (MCSA).

Information related to multiple customers must never be filed in an individual customer's file.  Invoices that include the names of multiple customers must be kept in a separate file; therefore, separate invoices are not required for each customer. Individual reports may be maintained in the individual case file since no identifying information for other customers is documented within the report.

For additional information on creating multicustomer SRs and MSCAs, refer to the ReHabWorks User's Guide, Chapter 20: Multicustomer Purchases, 20.1 Multicustomer Service Record.

### D-213-6: Food Purchased for Customer Training

The purchase of food for customer training must be necessary and reasonable.

Prior to purchasing food, VR staff must take the following into account:

* Food may not be purchased to feed customers unless the training is scheduled to exceed five hours, not including the meal hour. Customer training should not be planned over a meal period with the intent of purchasing food. Meals should be purchased only when doing so will allow customers to continue their training activities during the meal or will support completion of the training in less time.
* Food purchases must be only for customers, must not be an excessive quantity or variety, and must be a reasonable cost. The cost per meal should be as economical as possible and must not exceed $15 per customer. When a training spans a full day or multiple days, the daily cost per customer for food must not exceed $51. Any exceptions to these limits must be approved in advance by the VR director.
* Food may not be purchased to feed VR staff, individuals from partner organizations, or family members. The only exception is when a family member’s participation meets the requirements established in VRSM C-1307-2: Family Participation in Training Seminars and GSTs, and when the purchase of food for the family member is approved in advance by the VR director.
* Per Federal regulations, food is only an allowable Pre-ETS expenditure when the student is VR eligible with an IPE in place and it directly supports participation in a Pre-ETS activity. Food is not an allowable expense for potentially eligible customers.
* Food that is provided in conjunction with other customer activities, such as seminars and workshops and activities in the community, is not categorized as bulk food orders and should be purchased through RHW.

### D-213-7: Used Goods

The following policy does not apply to the purchase of medical or assistive devices, such as hearing aids, orthotics, prosthetics, or surgical implantable devices.

Used goods, supplies, or equipment can be purchased with VR funds when new equipment is unavailable or when used equipment meets the customer's needs and provides significant savings (such as purchasing used textbooks).

Include the justification for the purchase of used equipment in the service justification case note.

When buying used goods, the VR staff member processes the order according to the applicable procurement method, which is based on the estimated cost of the equipment.

Documentation of the purchase must include a description of the equipment's condition and value (usually found on the cost estimate or the provider's invoice but may be added to the SA).

### D-213-8: Scheduling of Payments Greater than $5,000

In accordance with the obligations and responsibilities established by Texas Government Code §2155.382(d), the Texas Comptroller requires the scheduling, rather than immediate processing, of individual payments greater than $5,000. As a result, single payments that are greater than $5,000 will be scheduled to process on "the last day on which payment can be made without accruing interest under the prompt payment law", or just less than 30 days. For reference and additional context, see VRSM D-507-2: Prompt Payment Act.

## D-214: Contractor Performance Issues

VR staff members other than the contract manager routinely work closely with contractors and, therefore, might notice issues related to a contractor's performance or noncompliance that are beyond the scope of the formal statewide monitoring process led by the Customer Services Monitoring Unit. If the staff member determines that a performance issue is significant, he or she must notify the contract manager, even if the issue has been resolved.

The VR staff member must send the notification in writing and include the:

* name of the contractor;
* contract number assigned by VR, if known;
* Texas payee identification number, if known;
* type of service provided by the contractor;
* date the noncompliance or performance issue occurred;
* description of the noncompliance or performance issue; and
* chronology of actions taken by the VR staff member and contractor to address the issue.

VR staff members use the TWC 1303 Contractor Performance Report to document issues of performance or noncompliance, or recurring issues with contractor invoices. The form can also be used to document exceptionally good contractor performance. The TWC 1303 Contractor Performance Report is for TWC use only.

Use the form VR3460 Vendor Invoice Additional Data Request to request information missing from a specific invoice.

When the contract manager is notified of a contractor's performance issue, he or she takes appropriate action and can request a remedial action review.

## D-215: Service Authorizations When ReHabWorks Is Not Available

When staff are notified by State Office that ReHabWorks is not available, VR management or its designee will provide staff members with direction regarding the continuation of purchasing processes and procedures.

## D-216: Using Provider Credit Accounts

A service authorization (SA) is the only valid means by which VR may authorize the purchase of goods and services on behalf of VR customers.

Use of a service authorization ensures that the

* required approvals and consultations have been obtained;
* appropriate funds have been encumbered;
* necessary contracts are included, when applicable; and
* additional instructions, guidance, or other necessary information is given to the provider.

No purchases may be made using just a bank or provider's credit card. When a purchase must be completed through a credit account, it must be made using an SA.

Some providers require the use of a credit account to purchase their goods or services. In these instances, VR staff contact TWC Procurement and Contract Services through the Unit Purchasing Specialist for assistance in completing the transaction or identifying alternate resources for the purchase.

For Walmart only, each VR management unit has an assigned account number that prints automatically on the SA. If the Walmart account number does not print on the SA, VR staff email [VR RHW Support](mailto:VR.RHWSupport@twc.texas.gov) for assistance.

#### State Office Consultation

When there is a clearly demonstrated vocational need that cannot be addressed through the use of established providers, the VR counselor discusses the circumstances with the unit purchasing specialist, VR Supervisor, VR Manager, and/or a regional or state office program specialist to assess options and determine how the needed goods or services will be purchased.

To ensure compliance with the VR grant award and 2 CFR 200, no new vendor specific credit accounts may be established by the VR program.

## D-217: Interagency Transfer Vouchers

Texas state agencies provide a variety of goods and services for each other. For example, the Texas Department of Aging and Disability Services (DADS) provides medical records, and the Texas Cosmetology Commission provides state cosmetology licenses.

For some agencies, the state comptroller transfers funds from one agency to another through interagency transfer vouchers (ITV) instead of issuing a warrant to make the payment.

### D-217-1: Receiving and Paying Interagency Transfer Vouchers

When receiving and paying ITVs, a VR staff member in the field office verifies the ITV's accuracy.

Note: If the invoice or ITV does not have a recurring transaction index (RTI) number, the VR staff member:

1. calls the performing agency to get the RTI number; and
2. writes it on the invoice or ITV.

The staff member then:

1. verifies that the goods or services have been received;
2. acknowledges receipt of the invoice, goods, and/or services, and documents in RHW (if applicable):
   * the invoice number in the Invoice Number field in the Receive Items List window, if the performing agency provided an invoice number (if an invoice number is not provided, the customer's Social Security number); and
   * the six-digit RTI number; and
3. writes the voucher document number assigned in RHW on the invoice or ITV (the number begins with a "T").

Note: Request payment using the SA Payment Authorization window. If the invoice includes fees for late payment, do not pay them.

The state comptroller maintains an [Interagency Transactions Contact List](https://fmx.cpa.texas.gov/fm/contacts/intagy_000-305.php), which is a list of agency contacts for RTI numbers.

## D-218: Purchasing Reviews and TxROCS

VR completes case reviews as part of oversight and monitoring of customer purchasing activities. Texas Review, Oversight, and Coaching System (TxROCS) is an application for entering case reviews.

For additional information about technical and purchasing reviews refer to VRSM D-400: Quality Assurance and Continuous Quality Improvement.

## D-219: Health Care Professionals—Required Qualifications

Listed below are the required qualifications for physicians, specialists, and other health care professionals.

The [TWC-VR state program specialist for physical restoration](mailto:vr.rhw.maps@twc.texas.gov):

* verifies in RHW the required qualifications of health care professionals; and
* provides information about certification or licensure of other health care professionals.

Note: When an intern working under the supervision of a licensed provider provides counseling services, the services are purchased at the rate paid for the supervising licensed provider.

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| --- | --- | --- |
| **Professional** | **Job Function** | **Required Qualifications** |
| Advanced practice nurse | Provides medical evaluation and/or treatment | Licensed by the Texas Board of Nursing |
| Audiologist | An audiologist:   * provides audiological examinations; * may dispense hearing aids; and * may provide basic audiometric assessments. | Licensed by the State Board of Examiners for Speech-Language Pathology and Audiology  To dispense hearing aids, the audiologist also must be licensed by the State Committee of Examiners in the Fitting and Dispensing of Hearing Instruments. |
| Certified registered nurse anesthetist (CRNA) | Administers anesthesia | Certified by the American Association of Nurse Anesthetists |
| Chiropractor | Provides manipulative treatment of the spine and functional capacity assessments  For restrictions, see VRSM C-703-6: Chiropractic Treatment. | Licensed by the Texas Board of Chiropractic Examiners |
| Cognitive rehabilitation therapist | Provides cognitive rehabilitation therapy, which focuses on the development of cognitive skills (the ability to perceive, recognize, conceive, judge, imagine, and reason) that were lost or altered because of neurological damage  The aim of treatment is to enhance functional competence in real-world situations.  The process includes:   * direct retraining; * use of compensatory strategies; and/or * use of cognitive tools. | One of the following:   * For a psychologist, a license from the State Board of Examiners of Psychologists * For a psychiatrist, a license from the State Board of Medical Examiners * For an occupational therapist, a license from the Executive Council of Physical Therapy and Occupational Therapy Examiners * For a speech and language pathologist, certification from the State Committee of Examiners for Speech and Language Pathologists and Audiologists |
| Dentist | Provides dental evaluations and/or treatment | Licensed by Texas State Board of Dental Examiners to practice in the state where services are rendered |
| Hearing aid specialist | Dispenses hearing aids  May provide basic audiometric assessments (MAPS 92551 - 92559)  May provide hearing aid evaluations | Licensed by the Texas Board of Examiners in the Fitting and Dispensing of Hearing Aids |
| Licensed marriage and family therapist (LMFT) | Provides goal-oriented or problem-centered counseling services, as recommended or prescribed by a psychiatrist or psychologist | Licensed by the Texas State Board of Examiners of Marriage and Family Therapists |
| Licensed professional counselor | Provides goal-oriented or problem-centered counseling services as recommended or prescribed by a psychiatrist or psychologist | Licensed by the Texas State Board of Examiners of Professional Counselors |
| Licensed surgical assistant (LSA) | Provides assistant surgeon services | Licensed by the Texas Medical Board |
| Occupational therapist | Provides:   * occupational therapy services recommended or prescribed by a physician; * home modifications assessment; and/or * job analysis and job-site modification assessments. | Licensed by the Executive Council of Physical Therapy and Occupational Therapy Examiners to practice in the state where services are rendered |
| Optometrist | Provides vision examinations | Licensed by the Texas Optometry Board |
| Ophthalmologist | Specializes in diagnosis, treatment, and surgery for diseases of the eye | M.D. (doctor of medicine) licensed by the state of Texas State Board of Medical Examiners to practice in the state where services are rendered |
| Pedorthist | Fabricates and supplies below-the-ankle orthotics | Certified by the Board for the Certification in Pedorthics (C.Ped: certified pedorthists) |
| Physical therapist | Provides:   * physical therapy services recommended or prescribed by a physician; * home modifications assessment; and/or * job analysis and job-site modification assessments. | Licensed by the Board of Physical Therapy and Occupational Therapy Examiners to practice in the state where services are rendered |
| Physician | Provides medical examinations and/or treatment  Exception: A podiatrist licensed in the state where services are rendered may provide medical or surgical services limited to foot conditions. | M.D. (doctor of medicine) or D.O. (doctor of osteopathy) licensed by the Texas State Board of Medical Examiners to practice in the state where services are rendered |
| Physician assistant | Provides medical examinations, medication management, and/or treatment | Licensed by the Texas Physician Assistant Board |
| Podiatrist | Provides medical examinations and treatment for foot conditions | Licensed by the Podiatric Medical Examiners Board DPM (doctor of podiatric medicine) |
| Prosthetist and orthoptist | Fabricates and supplies prostheses and orthotics | Licensed by the State Board of Orthotics and Prosthetics |
| Psychiatric-mental health advanced practice nurse | Provides evaluation, goal-oriented or problem-centered counseling services, and/or medication management | Licensed by the Texas Board of Nursing |
| Psychologist | Provides or supervises the provision of psychological services  When an individual under the supervision of the licensed psychologist provides services, the licensed psychologist must sign all reports | Licensed by the Texas State Board of Examiners of Psychologists or licensed to practice in the state where service is rendered (unless exempt)  Community-based behavioral health and developmental disability services centers and some state agencies are exempt from the licensing act |
| Registered nurse first assistant (RNFA) | Provides assistant surgeon services | Licensed by the Texas Board of Nursing |
| Social Worker | Provides goal-oriented or problem-centered counseling services for customers as recommended or prescribed by a psychiatrist and/or psychologist | Licensed Clinical Social Worker (LCSW) licensed by the Texas State Board of Social Work Examiners  Community-based behavioral health and developmental disability services centers and some state agencies are exempt from the licensing act |
| Specialist physician | Performs examinations, treatment, and/or surgery | Physician certified by an American Medical Specialty Board, or the American Osteopathy Specialty Board in the needed specialty  When a board-certified physician is not available, refer the customer to the [Texas Medical Board Look Up a License](https://www.tmb.state.tx.us/page/look-up-a-license) page to gather information about the education and experience of a physician without board certification. |
| Speech-language pathologist | Provides, with concurrence of a physician, speech and hearing therapy after surgery or trauma affecting speech | Certified as a speech-language pathologist by the State Board of Examiners for Speech-Language Pathology and Audiology |
| Speech trainer | Provides speech training in both expressive (speech language production) and receptive (lip and speech reading) language  May also evaluate and provide training in the use of speech augmentation devices | Certified as a speech-language pathologist by the State Board of Examiners for Speech-Language Pathology and Audiology |

## D-220: Health Care Facilities—Required Qualifications

The required qualifications for health care facilities are listed below.

The [VR state program specialist for physical restoration](mailto:vr.rhw.maps@twc.texas.gov):

* verifies the required qualifications of health care facilities in RHW; and
* provides information about certification or licensure of health care facilities.

|  |  |  |
| --- | --- | --- |
| **Health Care Facility** | **Activity** | **Required Qualifications** |
| Ambulatory surgical center | Primarily provides surgical services to patients who do not require overnight hospital care | Current licensure as an ambulatory surgical center by the Texas Department of State Health Services or accreditation by the American Association for Accreditation of Ambulatory Surgery Facilities |
| General hospital | Provides inpatient and outpatient hospital services | A current contract with VR, and:   * Medicare certification; * accreditation by the Joint Commission for Accreditation of Health Care Organizations (JCAHO); or * accreditation by the American Osteopathic Association. |
| General or specialty hospital providing inpatient comprehensive medical rehabilitation services | Provides inpatient comprehensive medical rehabilitation services | A current contract with VR and/or:   * licensure by the Texas Department of State Health Services for comprehensive medical rehabilitation services, unless exempt by law (for example, the University of Texas Medical Branch); * accreditation by the JCAHO; or * accreditation by the Commission on Accreditation of Rehabilitation Facilities (CARF).   CARF accreditation must be as a:   * Medical Rehabilitation Program—Comprehensive Inpatient Category One, if accredited before July 1, 1998; or * Comprehensive Integrated Inpatient Rehabilitation Program, if accredited July 1, 1998, or later. |
| Nursing home | Provides nursing home or convalescent care | Licensed by the DADS Nursing Home division  Approved by Medicare and Medicaid |

## D-221: Telehealth Options

When considering telehealth options for customers, VR counselors carefully consider what types of treatments that use telehealth are the most effective and decide on a case-by-case basis whether to proceed with telehealth.

The U.S. Department of Health and Human Services (HHS) issued guidance on using Health Insurance Portability and Accountability Act (HIPAA)-compliant platforms.

HHS lists the following as vendors that represent that they provide HIPAA-compliant video communication products:

* Skype for Business/Microsoft Teams
* Updox
* VSee
* Zoom for Healthcare
* Doxy.me
* Google Meet on G Suite
* Cisco Webex Meetings/Webex Teams
* Amazon Chime
* GoToMeeting

When providing telehealth options, it is recommended that providers use an application listed by HHS or another HIPAA-compliant application.

### D-221-1: Creating a Service Authorization for Telehealth Services

Telehealth options are available for the following services:

* Autism Spectrum Disorder Supports, refer to VRSM C-802: Autism Spectrum Disorder Supports;
* Applied Behavior Analysis, refer to VRSM C-803: Applied Behavior Analysis;
* Psychological Services, refer to VRSM C-804: Psychological Services; and
* Medical Services, refer to VRSM C-701: Professional Medical Services.

A service record must be created with the following specifications for telehealth services:

#### Service Records for Medical and Psychological Services

* Level 1: Medical and Psychological Evaluations and Services (MAPS)
* Level 2: Evaluation & Management (General Evals, Office & Home Visits, Supplies, Injections)
* Level 3: Office/Outpatient/Hospital Consultations

Choose the appropriate specifications for Level 4 based on the service to be provided.

Note: There are no changes to rates for the following telehealth services:

* Licensed Professional Counselor (LPC) counseling,
* Social Worker counseling,
* Applied Behavior Analysis (ABA) services, and
* Autism Spectrum Disorder (ASD) supports.

#### Service Records for ABA Services by BCBA-D

* Level 1: Medical and Psychological Evaluations and Services
* Level 2: Applied Behavior Analysis and Behavior Intervention Services by BCBA-D
* Level 3: Applied Behavior Analysis and Behavior Intervention Services by BCBA-D

Choose the appropriate specifications for Level 4 based on the service to be provided.

#### Service Records for ABA services by BCBA

* Level 1: Medical and Psychological Evaluations and Services
* Level 2: Applied Behavior Analysis and Behavior Intervention Services by BCBA
* Level 3: Applied Behavior Analysis and Behavior Intervention Services by BCBA-D

Choose the appropriate specifications for Level 4 based on the service to be provided.

#### Service Records for ABA services by BcaBA, RBT, or Graduate Student under supervision of BCBA-D or BCBA

* Level 1: Medical and Psychological Evaluations and Services
* Level 2: Applied Behavior Analysis and Behavior Intervention Services by BCaBA, RBT, or Graduate Student Under the Supervision of a BCBA-D or BCBA
* Level 3: Applied Behavior Analysis and Behavior Intervention Services by BCaBA, RBT, or Graduate Student Under the Supervision of a BCBA-D or BCBA

Choose the appropriate specifications for Level 4 based on the service to be provided.

#### Service Records for Autism Spectrum Disorder (ASD) supports

* Level 1: Evaluation Services (non-MAPS), Other Training & Related Services
* Level 2: Autism Spectrum Disorder (ASD) Supports - reference VRSM C-800: Neurodevelopmental and Psychological Services
* Level 3: Autism Spectrum Disorder (ASD) Supports

Choose the appropriate specifications for Level 4 based on the service to be provided.

#### Service Records for Licensed Professional Counselor (LPC) counseling

* Level 1: Medical and Psychological Evaluations and Services (MAPS)
* Level 2: Licensed Professional Counselor (LPC) counseling, per hour

Choose the appropriate specifications for Level 3 and 4 based on the service to be provided.

#### Service Records for Social Worker counseling

* Level 1: Medical and Psychological Evaluations and Services (MAPS)
* Level 2: Social Worker counseling services

Choose the appropriate specifications for Level 3 and 4 based on the service to be provided.

Note: When a customer receives telehealth services during a pandemic, VR staff should refer to the VRD state office guidance and Texas Department of Insurance - Telemedicine emergency rule for information on telehealth billing and payment guidelines.