# PART D, CHAPTER 5: VENDORS

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| **Policy Number** | **Authority** | **Scope** | **Effective Date** |
| Part D, Chapter 5 | Texas Government Code §2155.382(d), [2 CFR §200.302](https://www.ecfr.gov/current/title-2/subtitle-A/chapter-II/part-200/subpart-D/section-200.302), Texas Government Code, Chapter 2251, [Texas Government Code, Sections 403.055, 403.056 and 403.078](https://fmx.cpa.texas.gov/fm/pubs/payment/gen_prov/?s=payee_numreq&p=txid_num), and Texas Government Code §411.117 | All TWC-VR staff | 9/3/2024 |

## PURPOSE

In accordance with the authority (Federal and State) listed above, this policy is issued by the Texas Workforce Commission Vocational Rehabilitation Division (TWC-VR). Adherence to these rules and regulations issued under the Rehabilitation Act of 1973, as amended by Title IV of the Workforce Innovation and Opportunity Act (WIOA), supports Texans with disabilities in gaining, maintaining, and advancing in competitive integrated employment (CIE).

Specifically, the purpose of this policy and these procedures is to ensure adherence to ensure adherence to vendor requirements for registration, verification, and general requirements for doing business with TWC-VR.

## DEFINITIONS

Authorized Individual: An authorized individual includes, but is not limited to, the following:

* Caseload-carrying TWC-VR staff, including VR Counselors, Unit Support Coordinators, and Older Individuals who are Blind (OIB) Workers;
* Management Unit Staff, including VR Supervisors and VR Managers;
* Regional Office Staff, including Regional Directors, Deputy Regional Directors, Program Support Managers, Regional Program Specialists, Regional Transition Specialists, Regional Blind Services Specialists, Regional Program Improvement Specialists, Employment Assistance Specialists, and Regional Points of Contact Staff for CCH; and
* State Office Staff, including the Division Director, the Deputy Division Directors, the Directors, the Program Managers, the Managers, and, as applicable, Program Specialists.

Providers: An individual, business entity, or unit of government from whom TWC-VR purchases goods and services on behalf of customers as a part of the programmatic service delivery process.

Warrant Number: Term used to identify payment made to a specific vendor. This identifier uses a nine-digit format for payments made by check and seven digits for payment made by direct deposit number.

## POLICY

### General Overview

TWC-VR is responsible for ensuring that Service Authorizations (SAs) are issued to vendors established in the Workforce Reporting Accounting and Procurement System (WRAPS) and RehabWorks (RHW) in accordance with applicable Federal, State, and TWC-VR requirements.

### Texas Identification Numbers

The State Comptroller requires the Texas Identification Number (TIN) on requests from any party receiving payment from the State of Texas. Entities (i.e., sole owner, individual recipient, partnership, corporation, or other organization) billing TWC-VR for goods or services or that receive payment for refunds or public assistance must have a TIN.

## PROCEDURES

### Texas Legal Requirements

* Texas Identification Number:TWC-VR cannot issue an SA or subsequently authorize a payment unless the payee has an active TIN and is established in WRAPS. The WRAPS system interfaces with the Comptroller’s system and RHW. An active TIN is required for the following:
  + IRS 1099 reporting;
  + Procurement reporting;
  + Contract award;
  + Issuance of SAs; and
  + Payment processing.
* Types of TINS:TINs for individual recipients (i.e., customers) are established by using random numbers assigned by the Comptroller.

TINs for sole owners may be established using either a—

* + Random number assigned by the Comptroller; or
  + Federal Employers Identification Number (FEIN).
  + TINs for partnerships, corporations, or professional associations are established using the FEIN assigned by the IRS for tax purposes.
* Components of TINS: Each 14-digit TIN has the following components:
  + Prefix (digit 1)
  + Payee number (digits 2–10)
  + Check digit (digit 11)
  + Mail code (digits 12–14)

The prefix identifies the payee number type—

* + 1 = FEIN issued by the IRS.
  + 7 = A system generated number assigned by the Comptroller when the payee does not have a FEIN.
  + 3 = A number the Comptroller assigns for state agencies, special purposes, or temporarily when there is no FEIN.

The check digit is calculated from the TIN type and payee number. This number is used to verify the correct TIN has been entered.

The mail code is assigned by the Comptroller to identify the payment location. The mail code allows the payee to receive payments at different locations for paper warrants or into different bank accounts for electronic payments.

### Provider Requirements

* Healthcare Professionals:The required qualifications for physicians, specialists, and other healthcare professionals are included in the table below.
* 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.

| Professional | Job Function | Required Qualifications |
| --- | --- | --- |
| Advanced practice nurse | Provides medical evaluation and/or treatment | Licensed by the Texas Board of Nursing |
| 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 | Licensed by the Texas Board of Chiropractic Examiners |
| Cognitive Rehabilitation Therapist | * Provides cognitive rehabilitation therapy, which focuses on the development of cognitive skills (i.e., 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. | * Psychologist: License from the State Board of Examiners of Psychologists * Psychiatrist: License from the State Board of Medical Examiners * Occupational Therapist: license from the Executive Council of Physical Therapy and Occupational Therapy Examiners * 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 * 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 |

* Healthcare Facilities: The required qualifications for health care facilities are listed in the following table:

| 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 |

### Contracting Performance Issues

* Contract Performance Issues: With the exception of the Contract Manager, TWC-VR staff members 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, they must notify the Contract Manager, even if the issue has been resolved.

The TWC-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 TWC-VR staff member and contractor to address the issue.

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

TWC-VR staff members can use the *Vendor Invoice Additional Data Request (VR3460)* to request information missing from a specific invoice.

### Noncontracted Providers

TWC-VR’s non-contracted providers include, but are not limited to, the following types of goods and services:

* Professional medical, psychiatric, and psychological care;
* Physical, occupational, speech, language, and hearing therapy;
* Academic and vocational training at universities and colleges;
* Vocational training by proprietary schools;
* Tools, safety, and other vocational equipment;
* Transportation; and
* State, county, and local agencies.

Nontraditional Providers: A nontraditional provider is an individual who does not have a bilateral contract and who can help a customer achieve an employment goal. Nontraditional providers are available for services such as Job Skills Training, Work Experience Services, Vocational Adjustment Training and Bundled Job Placement.

A nontraditional provider can be used when—

* The customer needs to learn skills for a job or Work Experience Services that a traditional bilateral contract provider does not have, such as welding, use of commercial construction equipment, or use of medical equipment; or
* The services are needed in an area with no available approved and credentialed providers.

The procedure to establish a nontraditional provider as a vendor is as follows:

1. TWC-VR staff must explain the following to a potential nontraditional provider:
   * Customer confidentiality requirements;
   * Nondisclosure of information requirements;
   * Ethical requirements and considerations; and
   * Expectations of the services that nontraditional providers provide.
2. TWC-VR staff must collect all information necessary to establish the nontraditional provider and submits the information to the Regional Quality Assurance Specialist.
3. The Regional Quality Assurance Specialist, or designee, must approve the nontraditional provider and must--
   * Maintain a file on the nontraditional provider that contains all required documents;
   * Review all submitted documents to ensure they meet the requirements for a nontraditional provider; and
   * Send an email containing the RHW specifications directing Provider Services to link the nontraditional provider as a vendor.

The Regional Quality Assurance Specialist, or designee, must contact Provider Services each time the link specification needs to be turned on or off to issue, replace, or update an SA.

1. TWC-VR staff must request Service Record Approval via email. The Regional Quality Assurance Specialist, or designee, will approve or deny in RHW and sends a courtesy email to TWC-VR staff. This is to ensure that a nontraditional provider serves no more than five customers.
2. The Regional Quality Assurance Specialist monitors the number of customers the nontraditional provider serves for each service. After a nontraditional provider serves five customers for any service, they are permanently delinked from RHW for that service.

Nontraditional providers are only permitted to work with five VR customers before they are required to become bilateral contract providers.

Transition Educator Provider: A transition educator provider is an individual who is not a provider with a bilateral contract and—

* Has a master's degree or a bachelor's degree in rehabilitation, psychology, education, or related field (includes being a certified Texas Educator); and
* Is currently or has been an employee of a school system, a Texas Education Service Center, a college, or a university within the past fiscal year.

Transition educator providers must be approved annually to ensure that they continue to meet qualifications.

Transition educator providers are available for services such as Vocational Adjustment Training, Bundled Job Placement, Vocational Adjustment Training Work Experience Services, and Job Skills Training. A transition educator provider may be used when—

* The services are needed in an area with few or no approved and credentialed providers; or
* The customer has received services from a teacher in the school system and the teacher has agreed to continue to provide work readiness or employment service for the customer when the school's work readiness or employment services are not available, for example, during summer break or after graduation.

The procedure for establishing a transition educator provider as a vendor is as follows:

1. TWC-VR staff members must explain the following to the potential transition educator provider—
   * Customer confidentiality requirements;
   * Nondisclosure of information requirements;
   * Ethical requirements and considerations; and
   * Expectations of the services that transition educator providers provide.
2. If the individual agrees to become a transition educator provider, TWC-VR staff must collect and submit the following to the Regional Quality Assurance Specialist or designee:
   * Copy of the transition educator provider's transcripts, which indicates a master's degree or a bachelor's degree in rehabilitation, psychology, education, or related field; and
   * Proof that the transition educator is currently or has been an employee of a school system, a Texas Education Service Center, a college, or a university within the past fiscal year.

A transition educator provider must provide proof of employment at a school system, a Texas Education Service Center, a college, or a university annually.

1. The Regional Quality Assurance Specialist, or designee, must approve the transition educator provider using the following procedure:
   * Maintains a file on the transition educator provider that contains all required documents;
   * Reviews all submitted documents to ensure they meet the requirements for a transition educator provider; and
   * Sends an email containing the RHW specifications that Provider Services needs to link the transition educator provider as a vendor.
2. The Regional Quality Assurance Specialist, or designee, must request that the transition educator provider be delinked from RHW at the time designated as the end of year or collects proof that the transition educator provider is or has been an employee of a school system, a Texas Education Service Center, a college, or a university within the current or past fiscal year.

Use of Non-Contracted Hospitals: For non-contracted hospitals, the assigned Medical Services Coordinator (MSC) contacts the regional quality assurance specialist to review that the need for the procedure is within the scope of VR services and justification is well documented.

The Regional Quality Assurance Specialist sends the *VR3423* to the TWC Contract Management Unit (CMU) mailbox for assignment to a contract manager, who negotiates a rate for the contract exception. The contract manager will then submit *Exception to Contracted Hospital Purchase form (VR3423)* to the VR Division Director for final approval and return the executed *VR3423* to the regional quality assurance specialist.

## APPROVALS & CONSULTATIONS

TWC-VR staff must follow the following approvals and consultations:

* *A TWC-VR employee who receives a request for public information must consult with OGC through the chain of management.*
* *Verifying Healthcare Professionals and Facilities: The TWC-VR State Program Specialist for Physical Restoration verifies in RHW the required qualifications of health care professionals and provides information about certification or licensure of other health care professionals.*

*The VR State Office Program Specialist for Physical Restoration verifies the required qualifications of healthcare facilities in RHW and provides information about certification or licensure of healthcare facilities.*

*To inquire whether a provider is active in WRAPS, TWC-VR staff should email VR RHW Provider Services at* [*vr.rhw.providerservices@twc.texas.gov*](mailto:vr.rhw.providerservices@twc.texas.gov)*, providing the vendor TIN and the complete name of the vendor.*

* *When the Contract Manager is notified of a contractor's performance issue, they take appropriate action and can request a remedial action review.*
* *Regional Quality Assurance Specialist consultation is required in order to use a noncontracted nontraditional provider or a noncontracted transition educator provider when a bilateral contractor is not available or cannot meet the customer needs for Employment Services.*

**REVIEW**

The Policy Planning and Statewide Initiatives Team, or designee, is responsible for reviewing this policy and these procedures and will update the Document History log if necessary.

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| **Date** | **Type** | **Change Description** |
| 9/3/2024 | New | VRSM Policy and Procedure Rewrite |