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

Revised July 1, 2022

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

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#### 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.

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#### 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 comparable services and benefits must be followed for all VR customers.

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### 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.

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