# PART C, CHAPTER 5.2.b: CLINICAL SETTINGS SERVICES

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| **Policy Number** | **Authority** | **Scope**  | **Effective Date** |
| Part C, Chapter 5.2.b | 34 CFR [§361.5(c)(39)](https://www.ecfr.gov/current/title-34/part-361#p-361.5(c)(39)), [§361.48(b)(5)](https://www.ecfr.gov/current/title-34/part-361#p-361.48(b)(5)), and TWC Rule [§856.43](https://texreg.sos.state.tx.us/public/readtac%24ext.TacPage?sl=R&app=9&p_dir=&p_rloc=&p_tloc=&p_ploc=&pg=1&p_tac=&ti=40&pt=20&ch=856&rl=43) | 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 the provision of physical restoration services in various clinical settings.

## DEFINITIONS

Best Value Purchasing: Purchasing the least expensive services that meet the customer's vocational needs. Also known as the acquisition cost. Determining the acquisition cost ensures staff consider all factors that influence the total cost and value to both the customer and TWC-VR.

Informed Choice: The means by which a customer chooses their rehabilitation path, from options based on their needs and circumstances and the VR program's rules, as it relates to choosing physical restoration services in various clinical settings.

## POLICY

### General Overview

Physical restoration services include a range of medical services provided in a variety of clinical settings. TWC-VR provides essential physical restoration services across a variety of clinical settings to meet the diverse needs of customers. These services are offered in specialized environments such as hospitals, outpatient facilities, cardiac rehabilitation facilities, rehabilitation hospital programs, and skilled nursing facilities, among others. These various settings allow TWC-VR to deliver tailored rehabilitation and medical care to individuals recovering from injuries or surgeries or managing chronic conditions.

TWC-VR ensures that services like physical therapy, occupational therapy, orthotic and prosthetic fittings, and specialized medical treatments are accessible and integrated into comprehensive treatment plans. By collaborating with multidisciplinary teams at these clinical settings, TWC-VR aims to enhance customers' functional abilities, improve their overall health outcomes, and support their journey towards achieving employment goals and greater independence.

### Contracted Hospital and Medical Facilities

TWC-VR ensures effective management of its relationships with hospitals and medical facilities across the State through written contracts maintained by the Contract Management Unit (CMU). These contracts define the terms of business between TWC-VR and healthcare providers, including the agreed-upon rates of payment for services rendered. These contracts with hospitals and medical facilities must be utilized as the primary mechanism for delivering physical restoration services to customers, prior to accessing non-contracted facilities. This policy ensures consistency, accountability, and compliance with established contractual obligations, aiming to optimize service delivery and support the vocational goals of customers.

### Additional Policy Considerations

* Comparable Services and Benefits: TWC-VR must not expend funds on physical restoration services unless the VR Counselor and the customer have made maximum efforts to secure comparable services and benefits from other sources to pay for services.
* Customer Participation in the Cost of Services: A customer's eligibility for TWC-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 unless an exception is granted.
* Recipients of Social Security Disability Benefits: Recipients of Supplemental Security Income (SSI) or Social Security Disability Insurance (SSDI), due to the customer’s disability, are exempt from the requirement to participate in the cost of TWC-VR services regardless of income.
* Exceptions to Policy: When necessary to meet the VR needs of a customer, TWC-VR staff members may request exceptions to policies and procedures through their chain of management up to the Deputy Division Director of Field Services Delivery, or designee. However, exceptions to policies and procedures based on Federal and State laws, statutes, and rules or regulations are not allowable.

## PROCEDURES

### Determining the Appropriate Clinical Settings

VR Counselors utilize TWC-VR contracts with hospitals and medical facilities as the primary mechanism for services needed in clinical settings; however, the customer's treating physician can provide guidance on whether a contracted hospital or noncontracted Ambulatory Surgery Center (ASC) or other facility will best meet the customer's needs, including the proximity of the facility to the customer’s home. Types of clinical settings include the following:

* Ambulatory Surgery Centers: Specialize in performing surgical procedures that do not require an overnight hospital stay; also known as outpatient surgery centers or same-day surgery centers. ASCs offer a wide range of surgical procedures across various medical specialties, such as orthopedics, ophthalmology, gastroenterology, and plastic surgery
* Hospital and Medical Facilities: Encompass a broader range of healthcare services, including surgical procedures that may require overnight stays. Hospitals provide comprehensive medical care, including emergency services, inpatient care, and intensive care units (ICUs). They perform a wide range of surgeries, from routine to complex procedures across all medical specialties.

If hospitalization is necessary, the VR Counselor must use a TWC-contracted hospital. When selecting a hospital, the VR Counselor and the customer must consider the following:

* + Specialized services available (e.g., for traumatic brain or spinal cord injuries or ear, heart, brain, or orthopedic surgery);
	+ Composition of the patient population (e.g., a comprehensive medical rehabilitation program primarily serving elderly stroke patients might not be appropriate for treating a young customer with a spinal cord injury);
	+ Availability of additional services (e.g., driver's evaluation and training, vocational evaluation, specialized orthotics, rehabilitation engineering); and
	+ Availability and/or access to follow-up and aftercare.
* Cardiac Rehabilitation Facilities: Specialized centers that provide structured programs to help patients recover from heart-related conditions, surgeries, or cardiac events. Programs are staffed by multidisciplinary teams and typically include supervised exercise sessions, education on heart-healthy lifestyle choices, nutritional counseling, stress management techniques, and emotional support.

A cardiac rehabilitation facility must meet the following criteria:

* + Supervision by a cardiologist;
	+ An individualized, structured, progressive exercise program;
	+ Continuous customer monitoring during exercise;
	+ A physician must be available during exercise sessions; and
	+ A summary report with recommendations to the referring physician and to the VR Counselor.
* Rehabilitation Hospital Programs: Specialize in comprehensive inpatient and outpatient rehabilitation programs for patients recovering from severe injuries, surgeries, or medical conditions. They are staffed by multidisciplinary teams and provide intensive therapy to help patients regain function, mobility, and independence after strokes, spinal cord injuries, traumatic brain injuries, amputations, and other disabling conditions. Programs typically include, but are not limited to, the following:
	+ Physical therapy,
	+ Occupational therapy,
	+ Speech-language pathology,
	+ Psychological counseling,
	+ Medical management
	+ Rehabilitation engineering; and
	+ Patient education.
* Skilled Nursing Facility Services: Provide skilled nursing care and rehabilitation services for patients who require ongoing medical supervision and assistance; also known as nursing homes or convalescent homes. Customers may need these services following a TWC-VR-provided surgery when—
	+ The customer's medical condition or lack of home care resources do not allow the customer to be discharged home;
	+ The physician's order identifies the need and that medical services cannot be provided by home health care services;
	+ Skilled nursing facility services are the best value to TWC-VR.

### Non-Contracted Hospital or Medical Facility

If a customer needs a medical service at a hospital or medical facility that does not have a TWC contract, the assigned Medical Services Coordinator (MSC) must contact the CMU to develop a single-customer contract with a negotiated payment rate for the medical service before authorizing the service. *Exception to Contracted Hospital Purchase (VR3423)* must be completed to initiate the approval process.

### Hospital or Medical Facility Payments

Hospital and medical facility services payments may not exceed the contract rate. Hospital services are paid based on a percentage of the hospital's usual and customary billing. Before authorizing payment, the TWC-VR Staff—

* Reviews the hospital's current payment rate in RHW; and
* Obtains documentation that a medical service was provided.

### Reduced Payment Agreement

When the customer's circumstances warrant, hospital contracts allow for payments to be less than or more than the contracted rate. A special reduced-payment agreement may be negotiated with a hospital under the terms of the hospital contract when the customer—

* Is having a procedure with a projected high cost;
* Is undergoing a series of surgical procedures; or
* Has medical complications following surgery and is therefore having a hospital stay beyond the generally expected time frames associated with typical recovery.

*Reduced Payment Agreement (VR3422)* is signed by both the MSC and an authorized hospital representative and a copy is included in the customer's case file. The MSC then notifies the State Office Program Specialist for Physical Disabilities.

### Length of Hospital Stay—Required Consultation

Hospitalizations are limited to 14 days, excluding inpatient comprehensive rehabilitation services and employment supports for brain injury.

If the treating physician expects the recommended hospitalization to exceed 14 days, the VR Counselor must consult with the VR Manager and the State Office Program Specialist for Physical Disabilities to ensure that the proposed treatment or surgery is an appropriate physical restoration service within the scope of TWC-VR services.

When a customer requires hospitalization beyond the length of time to which TWC-VR agreed and payment will not continue, an approved notice must be sent to—

* The customer;
* The hospital;
* The attending physicians; and
* All other parties concerned.

### Other Hospital Services

* Restricted Hospital Services: TWC-VR restricts some hospital services. Examples include the following:
	+ Television rental;
	+ Telephone calls;
	+ Gourmet meals;
	+ Cots; and
	+ Guest trays and a private room, unless—
		- The physician orders it as medically necessary; and/or
		- No other room is available.
* Blood:If a customer needs a blood transfusion, the VR Counselor must discuss with the customer about donations from family and friends for replacement, if the physician has not done so. The VR Counselor purchases blood when replacement from family and friends is not possible. When a medical procedure is scheduled, every effort should be made to obtain blood donations before the procedure.
* Social Work Charges: TWC-VR pays hospital charges for social work services at the hospital contract rate when the services are prescribed by attending physicians. These services are provided by contracts in either a residential or a nonresidential program.

### Payment

The following documentation is required for payment of a hospital or medical facility bill—

* Name of provider;
* Documentation of service;
* Record of hospital inpatient surgery or treatment;
* Record of hospital inpatient diagnostic tests (laboratory, radiology, pathology);
* Record of hospital outpatient treatment, therapy, or diagnostic test;
* Treatment, therapy, or diagnostic test report;
* Information about employment supports for brain injury facility residential program progress (or staffing notes);
* Information about employment supports for brain injury facility nonresidential program progress (or staffing notes);
* Discharge summary and/or operative report.

## APPROVALS & CONSULTATIONS

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

*Approvals*

* *VR Manager approval is required prior to authorizing hospitalization that will exceed 14 days.*
* *VR Manager approval is required when terminating authorization for payment of medical treatment when treatment exceeds 14 days.*
* *VR Manager, VR Deputy or Regional Director, and VR Director, or designee, approval is required for all non-hospital contract exceptions.*
* *VR Director, or designee, approval is required for all exceptions to existing hospital contracts.*

*Consultations*

* *State Office Program Specialist for Physical Disabilities consultation is required when hospitalization is expected to exceed 14 days to ensure that the proposed treatment or surgery is an appropriate service within the scope of TWC-VR services.*
* *Medical Services Coordinator consultation is required to arrange services in clinical settings.*
* *Medical Services Coordinator consultation is required for all hospital contract exceptions and to complete the VR3423.*
* *VR Manager, MSC, hospital representative, and State Office Program Specialist for Physical Disabilities consultation is required when reducing payment to any facility.*

## 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** |
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