



COMMISSIONER
Chris Traylor

October 28, 2011

To: Home and Community-based Services Program Providers
Consumer Directed Services Agencies
Local Authorities

Subject: Information Letter No. 11-135
Cost Containment Initiative Update

In Information Letter No. 11-82, dated September 8, 2011, the Department of Aging and Disability Services (DADS) notified providers and local authorities of cost containment measures effective December 1, 2011, for the Home and Community-based Services (HCS) Program. The letter addressed new service limits for selected HCS Program services and the process for requesting an exception to a service limit.

<http://www.dads.state.tx.us/providers/communications/2011/letters/IL2011-82.pdf>

Second Level Review

In response to stakeholder feedback, DADS has implemented a second level review as part of the cost containment initiative for a:

- service for which DADS first level review indicates there should be a denial of the service limit exception; and
- voluntary service reduction request based on a new service limit.

DADS will work with a provider, as necessary, to determine if additional information is available to support an exception request prior to denial. If a voluntary service reduction request has been submitted, DADS will contact the individual or legally authorized representative, provider, and local authority to ensure the individual is fully aware of the exception process.

If, as a result of the second level review, DADS final decision regarding an exception request is delayed beyond December 1, 2011, the provider will continue to deliver, and be able to bill for, the service at the current level until the final decision is issued.

The provider remains responsible for following the submission deadlines outlined in the Instructional Guide for Providers included in IL No. 11-82.

Service Limit for Behavioral Support

Also in response to stakeholder feedback, DADS will not impose a service limit on behavioral support in the HCS Program. This change will be reflected in revised program rules upon adoption.

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Please see the attached revised chart of new service limits.

If you have any questions about this information letter, please contact the HCS mailbox at HCS@dads.state.tx.us.

Sincerely,

[Signature on file]

Teresa Richard
Director
Center for Policy and Innovation

[Signature on file]

Gary Jessee
Assistant Commissioner
Access and Intake

Attachment

HCS Service Limits

REVISED 10-20-11

Service Limits		
Service	Service Limit – Per IPC Year	Existing Limit that Cannot be Exceeded
Adaptive Aids / DME	\$1,057	\$10,000 per IPC year
Supported Employment	126 hours	150 hours per IPC year
Specialized Therapies		
Audiology	3 hours	
Dietary Services	3 hours	
Occupational Therapy	8 hours	
Physical Therapy	30 hours	
Social Work	10 hours	
Speech and Language Pathology	49 hours	
Supported Home Living		
LON 1	923 hours	
LON 5	1,337 hours	
LON 8	1,868 hours	
LON 6	2,098 hours	
LON 9	3,546 hours	

HCS – No New Service Limits Calculated	
Service	Service Limit
Day Habilitation	N/A
Behavioral Support	N/A
Nursing Services	N/A
Residential Assistance	
Foster/Companion Care	N/A
Residential Support	N/A
Supervised Living	N/A
Financial Management Services – CDS	N/A
Support Consultation – CDS	N/A

HCS – Current Service Limit (No Impact)	
Service	Service Limit
Dental	\$1,000
Minor Home Modifications	\$7,500
Respite	300 hours