



COMMISSIONER
Jon Weizenbaum

August 30, 2013

To: Financial Management Services Agencies

Subject: Information Letter No. 13-53
New Consumer Directed Services Bill Codes Available

The purpose of this letter is to inform Financial Management Services Agencies (FMSAs) about two new required billing codes associated with each Consumer Directed Services (CDS) service code: employer taxes and employer supports/benefits. FMSAs bill in one dollar units compared to home health agencies that bill in units of service, making it a challenge for external auditors to verify claims. In the State Auditor's Office (SAO) report about Personal Care Services, the recommendation that FMSAs use separate procedure codes to submit claims for services, benefits (bonuses), and office supplies and equipment was made. The two additional billing codes allow for tracking different categories of expenditures identified by the SAO.

The Department of Aging and Disability Services (DADS) updated the billing code crosswalk to include the new codes for CDS services in the following programs:

- Community Based Alternatives;
- Medically Dependent Children Program;
- Deaf Blind with Multiple Disabilities;
- Community Living Assistance and Support Services (CLASS);
- Primary Home Care;
- Community Attendant Services; and
- Family Care.

DADS will add the billing codes for CLASS habilitation to the crosswalk once a new service code is created. Billing codes for the Home and Community-based Services (HCS) and the Texas Home Living (TxHmL) programs will be added at a later date.

DADS encourages FMSAs to begin using the new billing codes as soon as possible but also recognizes that some FMSAs need time to re-program billing systems. DADS expects all FMSAs to have implemented the additional mandated billing codes by October 1, 2013. Contract staff will assess compliance during monitoring.

New Bill Codes Descriptions

The names of the new billing codes as it appears on the crosswalk and the definition of activities or items to be billed to each are described below.

Description of New Bill Codes for CDS Services Effective July 2013		
Category	Display on the bill code crosswalk	What should be billed
Employer Supports and Benefits	ES/BENEFITS	<p>Employer Support Services, include employment related supports and employer related supports as defined 40 TAC, Chapter 41, Subchapter E, Budgets</p> <p>§41.507 (d) (1-9) Employment related supports include:</p> <ul style="list-style-type: none"> recruiting expenses; criminal conviction history checks from the Texas Department of Public Safety; acquiring other background checks of a potential service provider; purchased employee job-specific training; cardio-pulmonary resuscitation training; first-aid training; Hepatitis B vaccination if elected by an employee; supplies required for an employee or provider of the service to perform a task, if not available through the individual's program or other source and the purchase is allowable through the individual's program; and non-taxable employee benefits <p>§41.507 (d) employer-related services, goods, or items required to meet employer responsibilities, including:</p> <ul style="list-style-type: none"> basic office equipment, which may include a basic fax machine for the purpose of submitting documents to the CDSA; mailing costs; expenses related to making copies; file folders and envelopes; and services, goods, and items specifically approved by the individual's program as an employer support service or included in Appendix XI, Allowable and Non-Allowable Expenditures, in the Consumer Directed Services Handbook. <p>§41.505. (a) (2) (E) (iii) through (vii)</p> <ul style="list-style-type: none"> paid vacation; paid holiday; paid sick leave; medical insurance; taxable work-related expenses; coverage of work-related injuries or illnesses for employees, including workers' compensation §41.505. (a) (2) (E) (viii) – (x) Bonuses <p>§41.505. (a) (2) (E) (xi)</p> <p>Employer contributions to employee benefits</p>
Employer Taxes	TAXES	Employer taxes – Social Security and Medicare, federal unemployment tax, and state unemployment tax.

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FMSAs should continue to bill the actual net amount paid to the CDS employee for delivering the services plus federal withholding to the same billing code used before the additional codes were added. See the long-term care bill code crosswalk for the new codes associated with each CDS service: <http://www.dads.state.tx.us/providers/hipaa/billcodes/index.html#ltc>

Please send any questions about this information letter to the CDS mailbox at cds@dads.state.tx.us.
Sincerely,

[Signature on file]

Lynn W. Blackmore
Director
Center for Policy and Innovation