

This appendix appears in the following handbooks:

Community Living and Assistance and Support Services Provider Manual (CLASSPM): Appendix VI
Consumer Managed Personal Attendant Services Provider Manual (CMPAS-PM): Appendix I
Contracting to Provide Assisted Living and Residential Care Services (CPALRCS): Appendix IX
Contracting to Provide Primary Home Care Services (CPPHCS): Appendix II
Contracting to Provide Special Services to Persons with Disabilities (CPSSPD): Appendix VII
Day Activity and Health Services Provider Manual (DAHS): Appendix X
Deaf Blind with Multiple Disabilities Provider Manual (DBMD): Appendix I
Emergency Response Services Provider Manual (ERS): Appendix VII
Home-Delivered Meals Provider Manual (HDMPM): Appendix II
Medically Dependent Children Program Provider Manual (MDCP-PM): Appendix IX

**DADS Contract Management
10-2013**

Purpose

Contract management is a function that involves the ongoing oversight of a contractor during the term of the contract to ensure contracting requirements are met and service delivery is within the compliance level established by the Texas Department of Aging and Disability Services (DADS). The term “contract” is used synonymously with term “provider agreement.” DADS contract management staff will communicate and work closely with the contractor to maintain the contract is current and compliant with all state and federal requirements. During the term of the contract, staff will conduct contract compliance activities, such as contract monitoring and complaint investigations, to ensure the contractor is delivering services in accordance with program and contract requirements. Contract staff may take contract action to correct any contract discrepancy and contract non-compliance that is identified during the course of conducting contract management activities.

Authority

Rule: Title 40, Texas Administrative Code (TAC), [Chapter 49](#), Contracting for Community Services

Applicability

The contract management activities in this appendix are applicable to the following DADS contracts:

- Adult Foster Care (AFC)

- Community Living Assistance and Support Services-Case Management Agency (CLASS-CMA)
- Community Living Assistance and Support Services-Direct Services Agency (CLASS-DSA)
- Community Living Assistance and Support Services – Continued Family Services (CLASS-CFS)
- Community Living Assistance and Support Services – Support Family Services (CLASS-SFS)
- Consumer Directed Services (CDS)
- Consumer Managed Personal Attendant Services (CMPAS)
- Day Activity and Health Service (DAHS)
- Deaf Blind with Multiple Disabilities (DBMD)
- Emergency Response Services (ERS)
- Home-Delivered Meals (HDM))
- Medically Dependent Children Program (MDCP)
- Primary Home Care/Family Care/Community Attendant Services (PHC/FC/CAS)
- Relocation Services
- Residential Care (RC)
- Special Services to Persons with Disabilities (SSPD)
- Transition Assistance Services (TAS)

Contract Maintenance

Upon contract approval, DADS will provide the name and contact information of the contract staff who will be responsible for managing the contract. The DADS contract manager will inform the contractor of any orientation opportunities and ongoing support that DADS will provide.

Contractors are responsible for notifying their assigned DADS contract management staff in writing of changes to contract information including any changes to:

- address, including the location of the agency's office, physical street address or mailing address and service location address(es);
- administrator, director or contact person;
- ownership or control interest;
- telephone number or fax number;
- original [Form 4109](#), Application for Texas Identification Number (TIN), that does not change the TIN; and
- signature authority.

Notification of changes must be signed by the individual having signature authority, as verified from [Form 2031](#), Governing Authority Resolution – Business Organization or [Form 2031-G](#), Governing Authority Resolution – Governmental Entity, whichever is applicable to the disclosing entity.

A contractor must contact the assigned DADS contract management staff for further guidance when the contractor is **considering** the following:

- changing the TIN;
- providing:
 - the same services in a different region, catchment area, or waiver contract area;
 - services under a different contract type; or
 - services at an additional location (for a facility-based program).

Contract and Fiscal Compliance Monitoring

40 TAC Chapter 49, Subchapter D, Monitoring and Investigation of a Contractor

40 TAC Chapter 49, Subchapter E, Enforcement by DADS and Termination by Contractor
40 TAC Chapter 49, Subchapter G, Application Denial Period

Contract staff conduct periodic on-site contract and fiscal compliance monitoring to determine if a contractor is in compliance with the terms of the contract and program requirements. DADS considers a contractor who scores an overall compliance score of 90% or more to be in substantial compliance. A contractor with an overall compliance score below 90% is subject to a contract action or sanction.

Monitoring Tools

DADS sends written notice of a scheduled monitoring to the contract signature authority and contact person at least 14 days in advance. The notice will:

- establish the review location;
- identify the contract(s) under review;
- identify the review period;
- identify the needed documents and records;
- request an agency overview; and
- provide information about the monitoring sample.

Note: The contract signature authority is not required to attend any of the monitoring activities.

Contract staff will complete the applicable contract and fiscal compliance monitoring tools. The monitoring tools for the following contracts are available at the [Contract Compliance](#) Web page.

Note: Scroll to the bottom of the screen to locate your provider type.

- Adult Foster Care (AFC)
- Community Living Assistance and Support Services-Case Management Agency (CLASS-CMA)
- Community Living Assistance and Support Services-Direct Services Agency (CLASS-DSA)

- Consumer Directed Services (CDS)
- Day Activity and Health Service (DAHS)
- Home-Delivered Meals (HDM)
- Medically Dependent Children Program (MDCP)
- Primary Home Care/Family Care/Community Attendant Services (PHC/FC/CAS)
- Residential Care (RC)
- Transition Assistance Services (TAS)

Contract and fiscal compliance monitoring tools for Emergency Response Services (ERS) are available at the following links:

[Form 3854](#), Contract and Program Compliance-Individual Record Evaluation
[Form 3061](#), Emergency Response Services Financial Errors Standard

Contract and fiscal compliance monitoring tools for the following contracts may be obtained by contacting your assigned contract manager.

- Community Living Assistance and Support Services – Continued Family Services (CLASS-CFS)
- Community Living Assistance and Support Services – Support Family Services (CLASS-SFS)
- Consumer Managed Personal Attendant Services (CMPAS)
- Deaf Blind with Multiple Disabilities (DBMD)
- Relocation Services
- Special Services to Persons with Disabilities (SSPD)

Monitoring Activity

On the first day of the monitoring, contract staff will conduct an entrance conference to introduce staff and to obtain the records needed to conduct the monitoring.

During the course of the monitoring, contract staff will review all relevant documents and will work closely with the contractor to obtain documentation needed to complete the monitoring. The contractor must provide copies or allow access for DADS staff to make needed copies of documents.

If contract staff identify a situation of direct or potential jeopardy to the health and safety of an individual, contract staff will require the contractor to immediately protect the individual's health and safety.

At the conclusion of the monitoring, contract staff will conduct an exit conference to:

- discuss:
 - monitoring findings;
 - compliance level; and
 - recoupment amounts (if applicable);

- provide copies of monitoring tools, (if possible); and
- provide a copy of the exit conference, [Form 5990](#), Contract Monitoring Exit Conference, which informs the contractor of the:
 - items requiring contractor action within a specific time frame; and
 - the contractor's recourse options and time frames.

When contract staff are unable to provide a copy of the monitoring tools at the exit conference, they will send a written notice of monitoring results, along with copies of the monitoring tools, within five business days from the exit.

After the monitoring, a contractor with an overall compliance score of 90% or more will be placed on a 24-month monitoring cycle. A contractor with an overall compliance score below 90% may be:

- placed on a shorter monitoring cycle;
- required to submit a Corrective Action Plan; or,
- referred to the DADS Sanction Action Review Committee (SARC).

The SARC will determine whether contract sanctions or actions such as referral hold, vendor hold, or termination are appropriate. If contract termination is recommended, the SARC will also determine the length of the application denial period. An application denial period is a period of time during which DADS denies a contract application submitted to DADS. Contract staff will provide written notice of any contract action and recourse options.

Complaint Investigation

A complaint is an allegation against a contractor or employee of a contractor regulated by DADS that involves a violation of a rule in [40 TAC, Part 1](#). A complaint may originate from anyone, including an individual receiving DADS services or supports, caretakers or attendants, family members or guardians, DADS staff, other state agencies or anonymous sources.

DADS considers each reported complaint to be an opportunity to enhance services and supports and protect or promote the well-being and dignity of individuals who receive DADS services and supports.

DADS Consumer Rights and Services (CRS) is the central point of intake for complaints and incidents. Complaints and incidents are reported to CRS at:

- CRSComplaints@dads.state.tx.us; or
- 1-800-458-9858 (toll-free).

Information about reporting complaints and incidents to CRS is available on the Web page titled [About Consumer Rights and Services](#).

Contract staff investigate alleged violations of contract obligations or program requirements within 45 business days of the CRS receipt date. An investigation is unannounced and will be

conducted on-site or via desk review. Contract staff will provide the investigation sample during the entrance conference for an on-site investigation and via fax for a desk review.

During the course of an investigation, the contractor is required to provide access to all records and files requested by contract staff. DADS contract staff will interview the contractor's staff, if necessary.

If contract staff identify a situation of direct or potential jeopardy to the health and safety of an individual, contract staff will require the contractor to take immediate protective action to remove or resolve the threat.

At the conclusion of an investigation, contract staff will contact the contractor to provide preliminary findings of the investigation. After the findings of an investigation have been finalized, contract staff will provide written notice to inform the contractor of the investigation findings, required action, and recourse options.

When one or more allegations of non-compliance are substantiated, contract staff may make a referral to the SARC. The SARC will determine whether contract sanctions or actions, such as referral hold, vendor hold, or termination, are appropriate. If contract termination is recommended, the SARC will also determine the length of the application denial period. Contract staff will provide written notice of any contract action and recourse options.

For questions about this appendix, contact your contract manager.