



COMMISSIONER
Adelaide Horn

January 14, 2008

To: Home and Community-Based Services (HCS) Providers and
Mental Retardation Authorities (MRAs)

Subject: Information Letter No. 08-04
HCS Voluntary Contract Termination Procedures

The attached procedure is to inform you of the activities that must take place when an HCS provider notifies the Department of Aging and Disability Services (DADS) of their intent to voluntarily terminate an HCS contract. Included in the procedures are the responsibilities of the provider such as notification to DADS, the submission of a closure plan, and completing consumer transfer activities in a timely manner. Also included are the responsibilities of DADS staff and MRA staff, as appropriate. In certain circumstances, the MRA may be asked to assist in the closure activities.

If you have any other questions or require additional information, please contact Rosalin Willis, Unit Manager for Community Services Contracts, at (512) 438-4722 or at rosalin.willis@dads.state.tx.us.

Sincerely,

[signature on file]

David Rollins, Section Director
Mental Retardation Authorities

[signature on file]

Scott Schalchlin, M.Ed., J.D.
Director, Community Services

[signature on file]

Chris Adams, Director
Survey Operations

DR:tc

Attachment

c: Susanne Elrod, Texas Council of Community MHMR Centers, Inc.
Carole Smith, Private Providers Association of Texas

**Home and Community Based Services (HCS) Voluntary Contract Termination Procedures
Effective January 14, 2008**

1. The provider notifies the Department of Aging and Disability Services (DADS) Community Services Contracts (CSC) staff, in writing, of its intent to voluntarily terminate an HCS contract. Per the HCS contract, the notice is required to be received by DADS at least 60 calendar days before the termination date.
2. CSC staff will notify the provider, in writing via FAX and certified mail, of the receipt of the request to terminate the contract. The letter from CSC will:
 - include a statement that, based on the provider's request, the contract will be terminated on the date stated in the provider's notice, if the date is at least 60 calendar days after DADS received the provider's notice. If the provider has not given 60 calendar days notice as required, CSC staff will negotiate a final termination date with the provider on a case by case basis.;
 - instruct the provider to:
 - i. submit a closure plan to CSC with a timeline for completion of all of the contract termination activities, including the plans for disposition of property if consumers are served in residential group homes, completion of consumer transfers, billing activities, etc.
 - ii. notify the consumers of other eligible providers and facilitate the transfer based on consumer choice;
 - iii. cooperate fully with the new provider and DADS staff to complete all transfer activity within 10 calendar days from the date of the FAX confirmation indicating the provider has received the letter; and
 - include a statement that if the provider is uncooperative and/or the transfer functions have not been completed within the required timeframe, the local Mental Retardation Authority (MRA) staff will assist the consumers in choosing another provider and DADS Program Enrollment (PE) staff will complete the transfers.
3. CSC staff copies PE staff on the letter sent to the provider.
4. PE staff contacts the provider by phone to confirm their intentions to continue to provide services until the contract termination date, the number of consumers served, etc.
5. PE staff will track the 10-day time period and work with the transferring and receiving providers to accomplish the transfers.
6. PE staff will contact MRA to assist if the transfer activities are not completed within 10 day time frame or if PE staff are unable to contact the provider or locate the consumers.
7. If MRA is involved in completing transfers, PE staff will work with the MRA as appropriate to complete transfers prior to the termination date.

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8. If PE staff or the MRA staff experience any problems with the provider or have any concerns regarding consumer rights, health or safety, they will refer the concern to DADS Consumer Rights and Services for investigation and inform CSC staff and Regulatory staff of the referral.
9. When PE staff have approved all consumer transfers (or discharges, as appropriate) PE staff will notify CSC staff via email.
10. CSC terminates/closes the contract in the CARE system with the effective date stated in the CSC letter to the provider.
11. CSC notifies PE when the final contract termination occurs via email.