Pre-Application Orientation: Community Living Assistance and Support Services

Before applying to contract with the Texas Department of Aging and Disability Services (DADS) to provide Community Living Assistance and Support Services (CLASS) you should understand what is expected of you.

- This pre-application orientation is intended only as a brief overview of CLASS contract requirements.
- If you are determined eligible to contract with DADS, you will receive a CD-ROM with more detailed orientation. You also will be provided with opportunities to attend in-person training with DADS staff.
- You should begin by reading and becoming familiar with the CLASS Provider Manual and the program rules in this document.
- DADS determines eligibility for CLASS and authorizes the direct service agency of the consumer's choice to deliver a specific amount of services.
- Consumers choose the CLASS case management agency and direct services provider of their preference from the contractor consumer choice list for their catchment area. DADS does not refer or assign consumers to contractors.
- There is no guarantee a consumer will choose you for their direct or case management services.
- If a consumer expresses no choice, the referral is made by rotation among all eligible contractors in the catchment area.
- If determined eligible to contract with DADS, you are only eligible to receive payment for contracted services beginning the effective date of your contract.
- You are only eligible to receive payment for services to specific individuals beginning the effective date of the individual's service authorization.
- At all times you must comply with applicable program and contract rules, contract terms and conditions, and policy letters.
- CLASS Direct Services Agencies must maintain the required Home and Community Support Services Agency (HCSSA) license at all times.

CLASS program description

The CLASS Program provides services and supports for people with related conditions as an alternative to living in an institution. Recipients may live in their own or family home.

Services include adaptive aids and medical supplies, case management, consumer directed services, habilitation, minor home modifications, nursing services, occupational and physical therapy, behavioral support services, respite, specialized therapies, speech pathology, pre-vocational services, supported employment, support family services, and transition assistance services.

The Consumer Directed Services (CDS) option is available for habilitation, respite, nursing, and physical, occupational and speech/hearing therapy.
CLASS contract types
You may apply to contract with DADS to provide case management, direct services, support family services or transition assistance services. Certain licensure and other requirements apply to some CLASS service types.

If approved to contract with DADS for CLASS, you must always operate within the scope of your license, accreditation, education and experience and meet all local, state and federal regulations.

In addition, please note these requirements:

- To provide CLASS direct services you must be licensed by DADS as a HCSSA with the Licensed Home Health Services (LHHS) category or Licensed & Certified Home Health Services (L&CHHS) category.
- To obtain a HCSSA license you must: properly complete a license application,
  o pay the required licensure fee and
  o pass a background check.
- To be a CLASS support family services provider you must be licensed by DADS as a HCSSA or be licensed by the Department of Family and Protective Services (DFPS) as a Child Placing Agency.
- To obtain a Child Placing Agency license, contact your local DFPS office.
- Failure to maintain a required license or to comply with licensure requirements will result in DADS taking action against your contract, up to and including contract termination.
- You may view information about, and requirements for, HCSSA licensing by clicking here.
- To be a CLASS Transition Assistance Services (TAS) provider you must meet the requirements found in the Texas Administrative Code (TAC), Title 40, Part 1, Chapter 62 Contracting to Provide Transition Assistance Services.

Additional contracting requirements
To be eligible for a CLASS contract you must have:

- a minimum of two months of operating funds available for conducting business on the effective date of the contract and you must maintain two months of operating funds to provide services for the duration of the contract;
- adequate staff to provide services on the effective date of the contract and maintain adequate staff to provide services for the duration of the contract;
- staff who meet the professional license or other job-specific criteria required for the position for which they are designated (for example, individuals providing nursing services must have a valid nursing license); and
- a base of operation physically located in the geographic catchment area for which you intend to contract (in accordance with Section 2200 of the CLASS Provider Manual).

DADS does not enter into a contract if the applicant:

- has been excluded from participating under Title XVIII or Title XIX of the Social Security Act;
- has had any community care program provisional contract involuntarily terminated within the previous 24 months other than for failure to provide services to DADS consumers for six consecutive months;
- had a CLASS contract involuntarily terminated due to failure to provide services to DADS consumers for six consecutive months within the previous six months; or
- does not have base of operation physically located in the geographic catchment area.
DADS may choose not to enter into a contract with an applicant if in DADS opinion the applicant may not provide acceptable services under the contract.

**Contract monitoring**
To ensure that providers are in compliance with all current program rules, regulations, policies and procedures, DADS monitors the contracts of those who are contracted to provide CLASS case management or direct services.

Contract monitoring consists of a review of a contractor's financial, personnel and individual service records. DADS contract staff conduct the review at the location where services are provided. All individual participant records must be available at the time of the review.

**Rules and regulations**
- To enter into and maintain a contract, you must comply with applicable rules and regulations at all times.
- Contracted entities are required to comply with contracting rules as well as with applicable licensing rules, policy letters and regulations.
- This orientation is not a review of all relevant rules and regulations. It is your responsibility to be knowledgeable of and adhere to all requirements.
- CLASS program and contract rules are published in the Texas Administrative Code.
  - DADS rules are found in Title 40 Part 1 of the TAC. Part 1 of the TAC is further subdivided into chapters.
  - DADS contracting rules are found in Chapter 49.
  - CLASS program rules are in Chapter 45.
  - Additional CLASS rules are in Chapter 48, Subchapter C.

**Professional licensure**
- You must ensure your staff who are required to be licensed to provide services keep their licenses current.
- Always check licenses, professional credentials, criminal history and conduct other required background checks before hiring someone.

**Other information**
- In addition to applicable rules, policy letters and regulations, contractors must comply with the terms of the contract and the policies and procedures outlined in the program specific provider manuals.
- The contract is DADS Form 3254; click here to view sample of the form in PDF format.
- Failure to comply with the terms of your contract, program rules or policies may result in DADS taking adverse action against your contract, up to and including contract termination.

**DADS communications**
- Provider manuals, alerts, policy letters and other important information can be found on the DADS CLASS website.
- Contractors are responsible for reviewing and complying with all policy letters, alerts, information letters and policy clarifications issued by DADS.
You are strongly encouraged to sign-up for DADS e-mail updates. Registering for DADS e-mail updates ensures you are notified of alerts, policy letters and other DADS communications as soon as they are published.

When you sign-up for DADS e-mail updates, you may customize your account to receive only those updates that are relevant to you.

Please review these three important CLASS letters below regarding license capacity, changes of ownership, license non-renewal/contract termination and emergency preparedness, respectively.

- Information Letter 10-32: Obligation to Screen Individuals or Entities Excluded from Participation in Federal Health Care Programs Prior to Hire by Employers under the Consumer Directed Services Option
- Information Letter 10-59: Policy Clarification Regarding Utilization Review in the Community Living Assistance Services and Supports Waiver Program

**Contract assignments**

- If you plan to undergo a change in ownership,
  - the legal entity responsible for the contract,
  - employer identification number or
  - tax status
  the individual with signature authority for your contract must request a contract assignment.
- Please refer to 40 TAC §49.15 to review the applicable rule.
- If you request to assign your contract, you must provide DADS Community Services Contracts Unit with at least 60 days notice before the requested effective date of the contract assignment.

**Other contract changes**

Contractors must notify DADS of changes affecting their contract such as:

- Change of address; ownership or control; and restriction, revocation, non-renewal or suspension of license.
- Failure to notify DADS of changes in accordance with the terms of your contract may result in DADS taking adverse action against your contract up to and including contract termination.
- DADS requires advance notice for most changes.

**Records maintenance**

- You must maintain program-related records in accordance with 40 TAC Chapter 49, program rules and the terms of your contract.
- Failure to properly maintain records could result in DADS taking adverse action against your contract, up to and including contract termination.

**Cost reports and rates**

- Contractors must submit required cost reports to the Texas Health and Human Services Commission (HHSC), consistent with HHSC instructions.
- Failure to submit required cost reports will result in your contract being placed on vendor hold (a hold on payments) and could result in DADS terminating the contract.
- You will be required to attend HHSC cost report training.
- Information regarding CLASS cost reporting requirements is located at TAC Title 1, Part 15, Chapter 355, Subchapter A.
- Further information regarding long-term care service rates is located at
  - HHSC Rate Analysis website
No guarantee of referrals

- Individuals receiving DADS services are always allowed free choice of eligible service providers. DADS is not allowed to refer individuals to any particular contractor. Individual choice is protected in all cases.
- Therefore, although you may enter into a contract with DADS to provide services, there is no guarantee you will be chosen by consumers.
- DADS may terminate your contract if you fail to provide contracted services in any six consecutive months.
- DADS strongly encourages you to research the market in your geographical area and make a good business decision about the need for services in your area before applying for a license or contract.
- You may find the DADS Quality Reporting System (QRS) helpful to determine the number of competing CLASS providers and need for services in your area.

Review of the key concepts

- Contractors should develop a business plan and review the market in which they plan to do business prior to deciding to pursue a contract.
- Contractors must know and meet all licensure requirements at all times.
- Contractors must adhere to all applicable policy letters and regulations.
- Contractors must meet contract terms at all times.
- Contractors should carefully follow billing procedures to ensure timely payment.

For more information on contracting with DADS

- Visit the DADS Resources for Service Providers website and choose the program of interest on the left side of the screen.
- If you are interested in becoming a provider, click on the button “Click here to learn how to become a provider” at the top right corner of any program page.
- Click here to view Form 3254, Community Services Contract (Provider Agreement).

For questions about CLASS contracting

- E-mail: communityservicescontracts@dads.state.tx.us
- Community Services Contracts voice mail: 512-438-3550
- Unit Support: 512-438-2080

For questions about Home and Community Support Services Agency Licensing

- Licensing: 512-438-2630
- Policy: 512-438-3015