



COMMISSIONER  
Jon Weizenbaum

September 19, 2014

To: Financial Management Services Agencies

Subject: Information Letter 14-58  
Implementation of Amendments and New Rules to 40, Texas Administrative Code,  
Chapter 41, Consumer Directed Services Option

The purpose of this letter is to inform Financial Management Services Agencies (FMSA) and Consumer Directed Services (CDS) option employers of the changes to 40 Texas Administrative Code (TAC), Chapter 41, Consumer Directed Services Option.

Effective September 1, 2014, CDS employers will be required to:

- complete, at the initial orientation, a Service Provision Requirements Addendum to DADS Form 1735, Employer and Financial Management Services Agency Service Agreement (Section 41.207-Initial Orientation of an Employer);
- ensure services delivered are listed on the service plan (Section 41.238-Service Delivery Requirements);
- ensure services are provided only to the individual (Section 41.238-Service Delivery Requirements);
- ensure services delivered are included in the CDS budget (Section 41.238-Service Delivery Requirements);
- ensure Registered Nurses (RNs) and Licensed Vocational Nurses (LVNs) hired by the CDS employer complete DADS Form 1747, Acknowledgement of Nursing Requirements, before the RN provides nursing services, or complete DADS Form 1747-LVN, LVN Supervision Certification for MDCP respite or flexible family support (Section 41.238-Service Delivery Requirements); and
- document required initial and on-going training activities using DADS Form 1732, Management and Training of Service Providers, and send Form 1732 to the FMSA within 30 days after hiring a new provider and annually thereafter (Section 41.233-Training and Management of Service Providers).

Contracting requirements for FMSAs can be found in 40, TAC, Chapter 49, Contracting for Community Services.

Case managers and service coordinators are required to review CDS employer backup plans annually and to request a revised backup plan if the current plan is not viable.

For a complete copy of the adopted CDS rules, see Texas Administrative Code at:  
[http://info.sos.state.tx.us/pls/pub/readtac\\$ext.ViewTAC?tac\\_view=4&ti=40&pt=1&ch=41](http://info.sos.state.tx.us/pls/pub/readtac$ext.ViewTAC?tac_view=4&ti=40&pt=1&ch=41)

### **Form Revisions**

To implement the rule changes, the following forms have been revised:

- Form 1732, Management and Training of Service Provider
- Form 1735, Service Provision Requirements Addendums for each program
- Form 1740, Service Backup Plan
- Form 1747, Acknowledgement of Nursing Requirements
- Form 1747-LVN, Licensed Vocational Nurse (LVN) Supervision

Revised CDS forms will be posted on the DADS website by September 22, 2014 at  
<http://www.dads.state.tx.us/handbooks/cds/forms/index.asp>.

### **Webinars**

DADS held a webinar on the rule changes for FMSAs on July 31, 2014. A copy of the power point presentation can be viewed at: <http://www.dads.state.tx.us/providers/cds/webinars/index.html>.

DADS held a webinar for CDS employers on the rule changes on September 2, 2014, from 12:00 PM-1:00 PM. The CDS employer webinar can be viewed at:  
<http://www.dads.state.tx.us/providers/cds/webinars/index.html>.

For questions regarding the content of this letter, contact DADS at: [CDS@dads.state.tx.us](mailto:CDS@dads.state.tx.us)

Sincerely,

*[signature on file]*

*[signature on file]*

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