# Vocational Rehabilitation Services Manual C-700: Medical Services and Equipment

Revised September 1, 2020

## C-701: Professional Medical Services

Federal law requires that medical services (including corrective surgery or treatment) that are sponsored or supported by Vocational Rehabilitation Services (VR) must:

* have a direct effect on the customer's functional ability to perform the employment goal or the services must support other needed vocational rehabilitation services; and
* be likely, within a reasonable period, to correct or modify substantially a stable or slowly progressive physical or mental impairment that constitutes a substantial impediment to employment.

34 CFR 361.5(39) (i)

VR is the payer of last resort.

[Comparable benefits (B-310-5)](https://twc.texas.gov/vr-services-manual/vrsm-b-300#b310-5) and required [customer participation in cost of services (B-310-6)](https://twc.texas.gov/vr-services-manual/vrsm-b-300#b310-6) must be applied before VR funds are expended.

Because VR uses tax revenue for case service expenditures, the division must purchase the least expensive services that meet the customer's vocational needs. For more information, see the requirements in [D-203-1: Best Value Purchasing](https://twc.texas.gov/node/).

After the customer's primary and/or secondary benefit coverage has been applied and the customer's ability to pay has been determined, VR may pay to the provider an amount equal to the customer's co-payment, coinsurance, or deductible due. VR payment does not exceed the amount allowed by the insurance coverage or the allowable VR rate or VR contract rate, whichever is less.

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### C-701-10: Telehealth for Medical Services

When considering telehealth options for customers, refer to VRSM D-221: Telehealth Options.

## C-702: Clinical Settings Policies

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