# **Vocational Rehabilitation Services Manual D-200: Purchasing Goods and Services**

Revised April 3, 2023

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## **D-205: Purchasing Threshold Requirements**

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### D-205-4: Exceptions to Purchasing Threshold Requirements

Purchasing threshold requirements are in addition to any other published policies and procedures for the purchase of specific goods and services. If a good or service is listed below as "exempt" from the purchasing threshold requirements in this section of the VRSM, staff must review other sections of the VRSM to ensure that they have complied with all processes and procedures before generating the service authorization.

The following purchases are exempted/excluded from the purchasing threshold requirements throughout [D-205: Purchasing Threshold Requirements](https://twc.texas.gov/vr-services-manual/vrsm-d-200#d205):

* contracted hospital services;
* contracted durable medical equipment (DME);
* contracted orientation and mobility or diabetes education services;
* contracted hearing aids and related products;
* interpreter/CART services for students enrolled in training programs for longer than 30 days when paid to paid directly to the training institution or an appropriately contracted service provider;
* medical goods and services, including orthotics and prosthetics and low-vision devices, purchased using MAPS codes;
* tuition, required fees, and room and board for training when paid directly to a public training institution in the state of Texas (excludes room and board paid to other entities, such as apartment complexes and private training institutions);
* contracted vehicle modifications;
* contracted services, as established and described in the VR Standards for Providers manual; and
* all other contracted goods and services to include purchases made using contracts established by the State Comptroller for Public Accounts and the Department of Information Resources (DIR).

#### Multicustomer SAs

The purchasing threshold requirements in [D-205: Purchasing Threshold Requirements](https://twc.texas.gov/vr-services-manual/vrsm-d-200#d205) do not apply to the total cost of a multicustomer service authorizations. However, threshold requirements do apply to multicustomer service authorizations when a per customer cost reaches one of the threshold amounts. When a per customer cost reaches one of the threshold amounts, including the $5,000 threshold for pre-purchase reviews, the purchase requires the same approvals and reviews as a single non-multicustomer SA would require.

For additional information about multicustomer SAs, refer to [D-213-5: Multicustomer Purchases](https://twc.texas.gov/vr-services-manual/vrsm-d-200#d213-5).

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## **D-206: Purchasing Restrictions**

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### D-206-3: Out-of-State Purchases

The code of federal regulations (CFR) §361.50 (b)(1) allows TWC-VR "to establish a preference for in-state services, provided that the preference does not effectively deny an individual a necessary service. In compliance with CFR §361.50 (b)(2) TWC-VR does not prohibit the provision of out-of-state services." However, "if the individual chooses an out-of-state service at a higher cost than an in-state service, if either service would meet the individual's rehabilitation needs, TWC-VR is not responsible for those costs in excess of the cost of the in-state service."

Customers that are SSI/SSDI recipients are exempt from limitations and required participation in the cost of training services. CFR states §361.54(b)(3)(ii) “The designated State unit may not apply a financial need test, or require the financial participation of the individual -as a condition for furnishing any vocational rehabilitation service if the individual in need of the service has been determined eligible for Social Security benefits under titles II or XVI of the Social Security Act”.

The term "out-of-state" is defined as a provider whose point-of-service address or place of doing business is located outside Texas. This term is not intended to describe, define or include providers whose brick and mortar business operations are within Texas but for whom the payment (remit) address of record is outside Texas.

#### Out-of-State Training Services

The purchase of training services or related support services from out-of-state providers requires VR Manager approval. This includes online or correspondence training purchased from providers that are not physically located in Texas. For additional information about policies, procedures, and requirements, refer to [VRSM C-400: Training Services](https://twc.texas.gov/vr-services-manual/vrsm-c-400).

Purchasing an out-of-state training service that is ordinarily regulated in Texas, but is not regulated in the state where the service is provided, requires consultation with the state office program specialist assigned to the specific type of training and VR Manager approval. Note: This includes out-of-state proprietary and vocational training. For specific information about licensing requirements, refer to [VRSM C-411: Training from Career and Technical or Certified Schools (Proprietary Institutions)](https://twc.texas.gov/vr-services-manual/vrsm-c-400#c411) and [C-413: Training by Paid Instructor or Exempt Schools](https://twc.texas.gov/vr-services-manual/vrsm-c-400#c413).

#### Out-of-State MAPS Services

Out-of-state MAPS services must also be purchased from providers who are properly credentialed. To ensure that a provider is properly credentialed, consult with the State Office Program Specialist for MAPS Provider Services.

Consultation with the State Office Program Specialist for MAPS Provider Services is required to purchase MAPS services from an out-of-state provider.

#### Records from Out-of-State Providers

The purchase of medical records or training transcripts from out-of-state providers does not require out-of-state approvals.

#### Contracted Out-of-State Goods and Services

Goods or services purchased under contract from an out-of-state provider do not require additional out-of-state approvals. This includes contracted out-of-state training providers and purchases made using contracts established by the State Comptroller for Public Accounts and the Department of Information Resources (DIR). However, all other required processes and procedures specific to that good or service must be applied.

#### Noncontracted Out-of-State Goods or Services

Purchase of any good or service from an out-of-state provider that is normally purchased under a contract, but the out-of-state provider does not have a contract for that good or service with TWC-VR, requires consultation with the state office program specialist assigned to the specific good or service and VR Manager approval.

Once approved, a contract exception must be completed. For information about the contract exception process, refer to [D-210: Exceptions to Contracted Fees and MAPS Fees](https://twc.texas.gov/vr-services-manual/vrsm-d-200#d210). Purchases of any other non-contracted goods or services from an out-of-state provider that are not specifically referenced in this section requires VR Manager approval prior to purchase.

#### Noncontracted Out-of-State Goods or Services Greater Than One Thousand Dollars ($1,000)

The purchase of goods or services from an out-of-state provider that cost greater than one thousand dollars ($1,000) per service authorization requires VR Manager approval. All other required approvals, including those in [D-205: Purchasing Thresholds](https://twc.texas.gov/vr-services-manual/vrsm-d-200#d205), must be applied. Processes and procedures specific to that good or service must also be applied.

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