



Date: November 18, 2021

To: Financial Management Services Agencies (FMSAs)

Subject: Information Letter 2021-54
COVID-19 Guidance for FMSAs and Consumer Directed Services (CDS)
Employers **(Replaces IL 2021-50)**

This revision to Information Letter 2021-17, originally published on February 26, 2021, provides guidance regarding the permanent option to allow for virtual (i.e., audio-visual) CDS employer orientations and to no longer allow audio-only CDS employer orientations. FMSAs, CDS employers and designated representatives (DRs) are required to comply with state and federal laws, rules, regulations, and policy letters regarding Medicaid services. The Texas Health and Human Services Commission (HHSC) reminds CDS employers and DRs that a service backup plan is required and should be in place.

CDS Employer Orientations

Effective February 1, 2022, FMSAs can permanently conduct new employer orientations virtually (i.e. audio-visual) in addition to continuing to allow for in-person orientations based on the CDS employer's preference. A notice with updated guidance and more detailed information will be published in early 2022.

The use of audio-only for employer orientations allowed as a COVID-19 flexibility will not become a permanent policy. FMSAs should provide employer orientations that are scheduled through January 31, 2022, virtually or by telephone. After January, all employer orientations must be done using either an audio-visual platform or in-person, based on the preference of the CDS employer.

Service Backup Plan

For an individual receiving services through the CDS option, the Texas Administrative Code (TAC) requires the service planning team to ensure a service back-up plan is in place if:

- It is required by the individual's program; or

- The service planning team determines that a service is critical to the individual's health and safety.¹

State and federal guidance indicate that COVID-19 presents a health and safety risk to individuals receiving Medicaid services through the CDS option. Therefore, all CDS employers should ensure they have a backup plan in place, and they can work with their service coordinator or case manager to develop one.²

Service backup plans must be completed using [Form 1740](#) and be approved by the individual's service coordinator or case manager. A service backup plan may include the use of unpaid supports, the purchase of backup hours from a provider agency, or respite.

Alternate Communication Methods

During this time, HHSC encourages CDS employers and DRs to utilize alternate means of communication such as FaceTime, Skype or other video or telephone conferencing systems to promote ongoing contact between individuals and their loved ones if there is any reason to believe a higher probability for COVID-19 infection exists related to the bullets above.

Follow State and Federal Guidance

CDS employers, FMSAs, service coordinators and case managers must follow guidance issued by:

- The [Centers for Disease Control](#) (CDC)
- The Texas [Department of State Health Services](#) (DSHS)
- Texas [HHSC](#)
- Their local public health department

Helpful information from these sources includes a list of [Frequently Asked Questions](#) from the CDC and [Disaster Response Toolkit](#) from CMS. DSHS has also published [COVID-19: Guidance for Public Health Home Service Providers](#).

¹ See 40 TAC [§41.404\(b\)](#)

² See 40 TAC [§41.217](#)

Contact Information

If you have any questions about this letter, please contact the CDS Policy and Operations team by emailing CDS@hhsc.state.tx.us.

Sincerely,

[signature on file]

Michelle Erwin
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Office of Policy
Medicaid and CHIP Services Department