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[CSG Table of Contents](#)

Federal Regulations

[34 CFR 361.5](#) - Definitions

State Rule

[5 CSR 20-500](#)

[1 CSR 10-3.010](#)

Section 700 AUTHORIZATIONS AND BILLING

700 PURCHASING SERVICES

700.1 Procedure Codes and Service Categories

- Service Categories are listed in [CSG Section 100](#).
- Procedure Codes in the case management system are associated with specific Service Categories. Refer to the case management system help desk when seeking specific procedure code/service category information.

700.2 Bid Process

- Bids are not required for items \$10,000.00 and under. All items that exceed \$10,000.00 require competitive bids.
 - Exception: Hearing aids costing more than Missouri Vocational Rehabilitation (VR) guidelines require more than one comparable written bid. Contact the assistant director of deaf/hard of hearing (DHH) services or director of rehabilitation technology when the bids exceed VR guidelines.

NOTE: Bids are not required for any item listed in VR's established fees (e.g., approved tool kits at school, durable medical equipment with Healthcare

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Common Procedure Coding System (HCPCS) codes such as glasses, orthotic devices, etc.).

- When required, solicit written bids from at least two (2) vendors. Authorize services to the vendor with the lowest responsive bid.
 - Exceptions:
 - Only one bid is required if the equipment can only be obtained from a single source/vendor. If this occurs, email single source justification to the assistant director of procurement for approval. Upon approval, save the email in the case management file.
 - The client chooses to purchase equipment from the higher priced vendor and agrees to pay the difference between the two bids. If this occurs, obtain and document approval from the district supervisor.
- When there is client participation, advise the vendor(s) of their responsibility to obtain the client's contribution. Document communication with the vendor.
- Document that all purchases meet "RAAN" federal cost principles. RAAN is an acronym for Reasonable, Allowable, Allocable and Necessary.

700.3 Authorizations

- An authorization is a legally binding contract that defines the services to be performed on behalf of a client in exchange for a valuable benefit. The authorization defines the terms and conditions of the agreement and is VR's obligation to pay for services.
- An authorized fee shall comply with VR's approved schedule of fees, when such fee is established. Exceptions to established fees may be granted by the assistant commissioner based on the needs of the client and all applicable federal and state laws and regulations.
- Services may only be authorized when clients are in Application through Post Employment Services (PES) statuses (excluding Delayed status).
- Issue authorizations prior to the start of VR services.
 - Exception: Substantial Approval is a placeholder for an authorization as a commitment to services. Substantial Approval may be granted by a counselor II and above when access to the case management system is not available and the following conditions are met:

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- for services provided under an IPE, the IPE must be completed, signed and approved prior to utilizing the Substantial Approval process;
 - on the same day Substantial Approval is given, the counselor must document the description of services, chosen vendor, dollar amount of service, client name and date; and
 - the authorization in the case management system must be issued within three (3) business days following the Substantial Approval.
- Prepare authorizations less any comparable service amount or client contribution.
 - Issue the authorization to the vendor either who has provided the most cost-effective bid, or who is the client's chosen vendor, and the client has elected to pay the difference in cost. Obtain and document approval from the district supervisor.
 - Prior to authorizing the service, the Service Category associated with the necessary Procedure Code must be listed on the IPE.
 - Exception: When authorizing services needed to determine a client's eligibility for VR services, services to assign a client to a priority category if operating under an order of selection, and/or to determine the nature and scope of VR services to be included in the IPE.
 - If the service is not listed on the plan, an amended IPE is necessary before authorization.
 - Provide copies of authorizations or amended authorizations issued on behalf of the client to the vendor and client (or guardian if applicable).
 - When amending an authorization, the reason for the amendment and rationale must be entered in the case management system.
 - Counselors II and above have the authority to issue authorizations for diagnostic services and all rehabilitation services listed on an IPE.
 - VR staff is responsible for ensuring all authorizations and expenditures comply with federal and state regulations.

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700.4 Vendor Information

- All vendors are required to be established as a vendor with the state of Missouri.
- To be established as a vendor with the state of Missouri or to make changes to an existing vendor, a vendor input form must be submitted or utilize MissouriBUYS.
 - The Vendor Input/ACH-EFT Application form and MissouriBUYS can be found on the Missouri [Vendor Services Portal](#).

700.5 Sales Tax Exemption

- VR is exempt from paying Missouri sales tax when purchasing directly from a vendor.
 - VR is obligated to pay other states' sales tax.
 - VR will reimburse clients for sales tax paid when making an authorized purchase.
- A Missouri sales tax exempt letter may be provided to the vendor if requested. Contact Central Office Accounting for a copy of this letter.

700.6 Medical Records

- The rate for medical records is mandated by Missouri law and is published by the Department of Health and Senior Services.

700.7 Authorizing Services – Medical Fee Schedule

- Medical procedures are typically identified by a specific Physician's Current Procedural Terminology (CPT) number, which should be referred to when preparing an authorization.
- VR uses the Healthcare Common Procedure Coding System (HCPCS) codes. HCPCS codes should be utilized by vendors when submitting bids for durable medical equipment, prosthetics, orthotics and supplies.
- VR establishes the payable rate for medical procedure codes, including durable medical equipment, prosthetics, orthotics and supplies (DMEPOS) covered by Medicare based on Missouri Medicare rates.

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- Procedure codes not listed in the case management system are obtained by contacting InfoTech in SharePoint. If no rate can be established, InfoTech staff will provide notification the service may be authorized at the usual and customary rate.
- If the actual cost of the service is less than the maximum established rate, if applicable, use the actual cost.
- Medicare will only pay for rental on many durable medical items. When rental fees are the only listed rate and purchase is recommended, proceed with the normal procurement procedures.

710 BILLING PROCEDURES

- The state defines standards for payment of invoices. These standards may be found on the Missouri Secretary of State's website.

710.1 Submitted Invoice Requirements

- The following are required for all invoices submitted and correspond with the authorization:
 - Original or electronic invoice
 - Unique invoice number
 - Must be billed to VR or the state of Missouri
 - Vendor name/address (vendor name on invoice matching authorization)
 - A unique identifier that allows matching of the invoice to the associated case (e.g., client name, case ID, authorization number)
 - Service dates
 - Specific item or service listed on invoice
 - Amount due
 - Vendor signature is required only if a VR-provided invoice is used for billing

710.2 Approval of Invoice and Verification of Services Provided

- A counselor II or above shall not approve any invoice for payment until appropriate verification of services has been secured and documented.
- The signature or initials of the counselor II or above verifying receipt of services is required on the invoice before the bill may be submitted for payment.

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- The bill payer's signature or initials verifying invoice requirements are required on the invoice before the bill can be paid.

710.3 Electronic Funds Transfer (EFT)

- Electronic Funds Transfer (EFT) is available for receiving payments from VR. Enrolling in EFT allows for quicker payments by eliminating the handling and mailing of checks.
 - Refer to the Missouri [Vendor Services Portal](#). Vendors can register through the Vendor Input/ACH-EFT Application or MissouriBUYS and obtain payment information through the portal.