



Date: March 17, 2017

To: Home and Community-based Services (HCS) Program Providers

Subject: Information Letter No. 17-07 — Process to Request Partial Reimbursement for the Cost of Installation of a Fire Sprinkler System in a Four-Person Residence

This letter is to inform HCS program providers about the process to request partial reimbursement from the Texas Department of Aging and Disability Services (DADS) for the cost of installing a fire sprinkler system in a four-person residence.

As of September 1, 2016, some functions of DADS transitioned to the Health and Human Services Commission (HHSC). As a result, the receipt and approval of requests for reimbursement involve coordination between HHSC and DADS staff.

BACKGROUND

The 2016-2017 General Appropriations Act (Article II, Department of Aging and Disability Services, Rider 32, HB 1, 84th Legislature, Regular Session, 2015) appropriated funds to reimburse HCS program providers for up to 50 percent of the cost of installation of a fire sprinkler system in a four-person residence. The rider contains the following additional requirements:

- The reimbursement amount must not exceed \$10,000 per residence;
- The fire sprinkler system must have been installed after September 1, 2012; and
- A provider requesting reimbursement must provide documentation demonstrating the cost to the provider for the installation.

PROCESS TO REQUEST PARTIAL REIMBURSEMENT

To request partial reimbursement for the cost of the installation of a fire sprinkler system in a four-person residence, an HCS program provider must submit the reimbursement request by email to HCSsprinkler@dads.state.tx.us by **5:00 p.m. Central Standard Time, Friday, June 30, 2017**, to be considered for reimbursement. The reimbursement request must meet all of the requirements listed below.

- The request must contain a properly completed Form 1571, Request for Partial Reimbursement for the Cost of Installation of a Fire Sprinkler System in a Four-Person Residence, available on the [HHSC forms page](#), which includes the provider's 14-digit Texas Identification Number (TIN), the contract number, and the location code assigned by the provider of the residence where the fire sprinkler was installed.
- The request must contain a State Fire Marshal's Office Form SF041, Contractor's Material and Test Certification for Above Ground Piping, properly completed by the fire sprinkler installer. Texas Department of Insurance rule at Texas Administrative Code (TAC), Title 28, Part 1, Section 34.716 requires the installation company to provide Form SF041 to the owner of the building upon completion of the fire sprinkler installation.
- If new underground piping is installed to support a fire sprinkler system, the request must contain a State Fire Marshal's Office Form SF042, Contractor's Material and Test Certification for Underground Piping, properly completed by the fire sprinkler installer. Title 28 TAC Section 34.716 requires the installation company to provide Form SF042 to the owner of the building if new underground piping is installed to support a fire sprinkler system.
- The request must contain an invoice or statement for the installation of the fire sprinkler system from the fire sprinkler installation company showing:
 - The date installation was completed, which must be after September 1, 2012;
 - The name of the program provider on the invoice is the same as the program provider requesting partial reimbursement;
 - The address of the residence where the system was installed;
 - The total cost of the installation;
 - If the invoice contains multiple charges, which charges are directly associated with the fire sprinkler installation, and documentation that substantiates those charges; and
 - That the total cost has been paid.
- If work associated with the installation of the fire sprinkler system is performed by a person or entity other than the fire installation company, the request must contain an invoice or statement for the work from the person or entity performing the work showing:

- The date the work was performed, which must be after September 1, 2012;
 - The name of the program provider on the invoice is the same as the program provider requesting partial reimbursement;
 - The address of the residence where the work was performed;
 - The total cost of the work;
 - If the invoice contains multiple charges, which charges are related to the work associated with the installation of the fire sprinkler and documentation that substantiates those stated charges; and
 - That the total cost has been paid.
- A cancelled check is not considered evidence that the total cost of installation of the fire sprinkler system or work associated with the installation of the fire sprinkler system has been paid.
 - The request must not be for a fire sprinkler system for which the program provider was previously partially reimbursed by DADS. (A program provider may resubmit a request for partial reimbursement that was previously submitted and not approved.)
 - The request must be for a fire sprinkler system purchased by the program provider requesting the partial reimbursement. A request for a fire sprinkler system purchased by a program provider that was a previous owner of the residence in which fire system was installed will not be accepted.
 - The request must not contain inconsistent information. For example:
 - The date on the first page of Form SF041 must be the same as the certification date identified by the responsible managing employee for the fire sprinkler installation company on the last page of the form;
 - The address where the fire sprinkler system was installed, as stated on Form SF041, must be the same as the address of the four-person residence on Form 1571; and
 - The party identified as the purchaser on the invoice must be the same as the program provider requesting reimbursement on Form 1571.

HHSC REVIEW OF REIMBURSEMENT REQUESTS

HHSC will accept a reimbursement request if the request is complete and meets the requirements described in this letter. HHSC will notify the contact person identified on Form 1571 by email whether or not the reimbursement request is accepted.

DISTRIBUTION OF FUNDS

After reviewing an accepted reimbursement request from a provider, HHSC will determine the reimbursement amount, if any, the provider will receive.

For questions about the content of this letter, please email hcs@dads.state.tx.us.

Sincerely,

[signature on file]

Emily Zalkovsky
Deputy Associate Commissioner
Medicaid and CHIP Services

[signature on file]

Mary T. Henderson
Associate Commissioner
DADS Regulatory Services