



School Health and Related Services (SHARS) Program

Trey Wood

Chief Financial Officer

Ricardo Garcia

Deputy Executive Commissioner,
Policy and Quality

September 2024



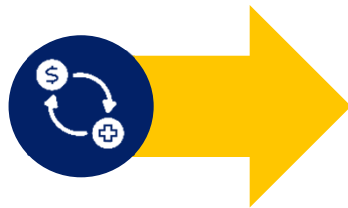
TEXAS
Health and Human
Services



SHARS Program and Fiscal Overview

SHARS Program

Medicaid services provided by Local Education Agencies (LEAs), which include independent school districts and public charter schools to Medicaid-enrolled students.



- SHARS allows LEAs to obtain Medicaid reimbursement for certain medically necessary health-related services.
- SHARS is funded through Certified Public Expenditures (CPEs).



SHARS is jointly overseen by the Texas Education Agency (TEA) and the Texas Health and Human Services Commission (HHSC).





TEXAS
Health and Human
Services

SHARS Status

- Actions at the federal level have resulted in a reduction of SHARS funding. These fall into two categories:
 1. Federal Office of Inspector General audit findings.
 2. Centers for Medicare and Medicaid Services (CMS) SHARS policy review.



TEXAS
Health and Human
Services

Federal Office of the Inspector General Audit of SHARS

- Audit conducted in 2013 for the period of Oct. 1, 2010, to Sept. 30, 2011.
- Audit findings:
 - ▶ State did not follow applicable federal requirements related to coding of Random Moment Time Study moments.
 - ▶ The state only conducted the Random Moment Time Study for three of the four quarters.



TEXAS
Health and Human
Services

Federal Office of the Inspector General Audit of SHARS Cont'd

- October 2017: HHSC staff began working with the CMS to request reconsideration of the disallowed moments.
- October 2023: the U.S. HHS Departmental Appeals Board (DAB) denied HHSC's appeal request, exhausting all administrative appeal opportunities.
 - ▶ Impact: the moments in question are no longer allowable Medicaid expenses and HHSC is not authorized to reimburse LEAs for the corresponding unallowable services.
- December 2023: HHSC recoded moments for the federal fiscal year (FFY) 2022 SHARS Cost Report to align with federal policy.

SHARS

State Plan Amendment

- Updates to the SHARS State Plan began in 2019. CMS has requested changes to the following through the State Plan Amendment review:
 - ▶ Audiology and hearing services
 - ▶ Interim billing requirements
 - ▶ Transportation services
 - ▶ Random Moment Time Study
 - ▶ Personal care services and group personal care services





TEXAS
Health and Human
Services

SHARS Reimbursement Structure

- LEAs submit interim claims throughout the school year and receive payments.
 - ▶ All Personal Care Services and Transportation services must be billed on an interim basis.
 - ▶ At least one claim per eligible Medicaid student is required.
- LEAs submit an annual cost report.
 - ▶ Includes reimbursement for allowable services.

SHARS Cost Report Status

- FY 2022 cost report status:
 - ▶ 335 formal appeals submitted, with 324 pending a final judicial decision.
- FY 2023 cost reports under review.
 - ▶ Departmental Appeals Board and state plan modifications include an estimated reduction of approximately \$550 million in federal funding when comparing FFY 2021 to estimated FFY 2023.



Fiscal Breakdown FY 2021 Compared to Estimated FY 2023

SHARS	Allowable Costs All Funds	Federal Funds
FY2021	\$1,273,328,792	\$865,990,911
Policy Changes (in effect as of Sept. 2024)	(\$280,000,000)	
DAB Fiscal Impact	(\$300,000,000)	
Estimated Potential Impact of Removing Group PCS (Policy changes to be in effect Oct. 2024)	(\$178,280,864)	
FY 2023 (Estimated)	\$515,047,928	\$333,447,773
Difference FY 2023 to FY 2021 This is the estimated loss of federal funds from FY21 to FY23	(\$758,280,864)	(\$532,543,138)

The amounts above are estimated based on federal funds received by participating LEAs in FY 2021 when compared to estimated totals for FY 2023. Total reimbursements for FY 2022 and FY 2023 are not finalized and subject to change.



School Based Medicaid Resource and Training (SMRT) Team

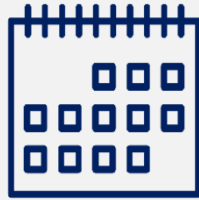
- Created to increase communication between the HHSC Provider Finance Department (HHSC-PFD) and LEAs participating in SHARS.
- Regional teams of staff
 - ▶ On-site visits to all schools biannually or annually.
 - ▶ Education Service Center engagements.





Recent Policy Changes

Major Policy Changes



Effective

Oct. 1, 2024

Defined

- Eligible Personal Care Services (PCS) activities
- Provider competency requirements

Limited

- PCS to one-on-one interactions
 - * Reimbursable in a group setting

Updated

- PCS service log requirements
- Physician procedure code



Texas Medicaid Provider Procedures Manual (TMPPM) Update

TMPPM SHARS Handbook was updated to improve program integrity and provide clear guidance to LEAs.

A dark blue rectangular icon with rounded corners and a spiral binding on the left side. The text 'TMPPM SHARS Handbook' is centered in white.

TMPPM SHARS Handbook

- ✓ Documentation supporting services billed.
- Types of tasks eligible for Medicaid reimbursement of PCS.
- ✓ Guidelines around provider qualifications.



PCS Provider Requirements

PCS providers must:

- ✓ Meet requirements of 42 CFR 440.167.
- ✓ Demonstrate understanding and competence necessary to perform eligible PCS tasks required.



Beginning October 1, 2025, documentation must verify that a PCS provider is qualified.

- ✓ Signed and dated statement from a licensed health care practitioner verifying qualifications to perform PCS tasks.
- ✓ Supporting documents or information, as applicable.



Additional HHSC Resources and Support for LEAs

- Dedicated clinician to provide support to HHSC staff and school districts.
- Dedicated staff to develop SHARS trainings and webinars for LEAs.
- Support on clinical Medicaid documentation.
- HHSC coordination with TEA to develop consistent guidance for LEAs.





Thank you!

[HHSC GR@hhs.texas.gov](mailto:HHSC_GR@hhs.texas.gov)



Appendix

Program Eligibility



- ✓ Age 20 or younger
- ✓ Have Individualized Education Program (IEP) describing needs
- ✓ Special education eligible
- ✓ Medicaid eligible



SHARS Eligible Benefits

SHARS benefits are Medicaid benefits and must align with:

- Federal statute [42 CFR § 440](#)
- Medicaid State Plan

- ✓ Audiology services
- ✓ Counseling services
- ✓ Nursing services
- ✓ Occupational therapy
- ✓ Personal care services (PCS)

- ✓ Physical therapy
- ✓ Physician services
- ✓ Psychological services including assessments
- ✓ Special transportation services
- ✓ Speech therapy



Providers



Local Education Agencies (LEA)

Independent School Districts

Public Charter Schools



Texas Medicaid Enrollment

Enrolled as a SHARS Provider.

Reimbursed for direct medical and transportation services to Medicaid enrolled students in a school setting.



Employee/ Contractor

LEA employs or contracts with individuals or entities.

Must meet health care practitioner certification and licensing requirements.

