

DATE:	January 11, 2024
SUBJECT:	School Health and Related Services (SHARS) Reimbursement
CATEGORY:	Finance and Programs
NEXT STEPS:	Budget planning

Appeal Deadline

The Texas Health and Human Services Commission (HHSC) issued School Health and Related Services (SHARS) cost report settlement notices to local education agencies (LEAs) through the State of Texas Automated Information Reporting System (STAIRS) on **December 15, 2023**. LEAs have **30 days from the notification date** to "Agree" or "Disagree" with their proposed settlement. If a response is not received, the proposal will become final.

LEAs can request an informal review by the HHSC in accordance with 25 Texas Administrative Code §355.8443. The HHSC's Provider Finance Department must receive a written request for an informal review by hand delivery, United States (U.S.) mail, or special mail delivery no later than **January 16, 2024** (30 calendar days from the date on the written notification of the adjustments). The LEA may receive an additional 15-day extension as long as the request is submitted for an informal review and documented as such in STAIRS by January 16, 2024.

In its request for an informal review, an LEA must submit a concise statement of the specific actions or determinations it disputes, its recommended resolution, and any supporting documentation the LEA deems relevant to the dispute. It is the responsibility of the LEA to render all pertinent information at the time of its request for an informal review. Disputed actions or determinations that are not explicitly stated in the request will not be considered by the HHSC. The failure of the HHSC to act on implied items of dispute will not be considered grounds for a formal appeal.

Cost Report—Possible Reduced Reimbursement

As a result of an audit by United States Department of Health and Human Services Office of Inspector General (DHHS OIG), the HHSC is required to recode certain random moment time study (RMTS) moments for personal care services because the moments are not clearly identified as medical services (as opposed to education-related). See [TEXAS IMPROPERLY RECEIVED MEDICAID REIMBURSEMENT FOR SCHOOL-BASED HEALTH SERVICES](#), the related report issued to the HHSC in October 2017.

HHSC must recalculate the statewide RMTS percentage to determine the fiscal impact for the federal fiscal year (FFY) 2022 SHARS cost reports. For many districts, this recalculation will result in a **reduction** of the anticipated FFY 2022 SHARS cost report reimbursement, scheduled to be delivered in early calendar year 2024.

The required RMTS recoding practice will be applied to future code report calculations. LEAs may see reduced reimbursements in the future depending on the adherence to the RMTS training requirements for FFY 2023 and beyond. Because of this year's adjusted reimbursement, LEAs should adjust budget expectations for the FFY 2023 SHARS reimbursement for February 2025.

Required Upcoming Training

- Required [RMTS training](#) outlines time study activities and the training required for participation. The district employee who is the primary RMTS contact is responsible to complete annual training before the first quarter participant list close date. It is typically scheduled between May and August, preceding the new FFY. If this requirement is not met, the LEA is not allowed to participate in SHARS or Medicaid Administrative Claiming (MAC) for the following FFY.
- Through RMTS training as well as compliance reviews, districts are reminded of the importance of appropriately limiting the [Participant List \(PL\)](#) to support the district and state compliance. As with other aspects of Medicaid, districts are expected to have evidence to support the activities performed and the accuracy of the PL.
- The fourth quarter will be added to the moment collection schedule beginning in August 2024. LEAs should adhere to deadlines for the additional collection schedule.

Contact Information

For questions, please call the SHARS helpline at (512) 730-7400 or send an email to providerfinanceshars@hhs.texas.gov.

Additionally, HHSC has provided an FAQ: [Provider Finance Department School Health and Related Services Program \(SHARS\) Frequently Asked Questions](#).