**Summary of Findings on SHARS Policy Changes - Summer 2024**

**Introduction**

The School Health and Related Services (SHARS)/ school Medicaid program is vital for Texas school districts, providing essential funding for special education students who need medical assistance to succeed in school. Recent proposed changes to the SHARS policy have raised significant concerns among districts, highlighting issues such as increased administrative burdens, lack of transparency, and inadequate stakeholder involvement. This document builds on previous recommendations made to Chairman Frank and the House Committee on Human Services in December 2023, offering a comprehensive analysis of the proposed changes. By comparing these changes with best practices from other states and federal guidelines, this summary aims to provide actionable recommendations to ensure the SHARS program remains effective, efficient, and supportive of the needs of Texas students and school staff.

**Background and Previous Recommendations**

In December 2023, a letter was sent to Chairman Frank and the Members of the House Committee on Human Services highlighting critical issues and recommendations related to the School Health and Related Services (SHARS) program. This letter emphasized the concerns of over 900 Texas school districts that rely on federal Medicaid reimbursement to support special education students requiring medical assistance. The key issues raised include:

1. **Reduction in SHARS Funding:**
	* **Issue:** Drastic reductions in funding and delays in settlement notices have caused significant financial challenges for districts.
	* **Recommendation:** Legislative or HHSC action is needed to provide financial relief and address reimbursement rate recalculations.
2. **Lack of Transparency:**
	* **Issue:** Minimal visibility into the methodology used to calculate reimbursement rates.
	* **Recommendation:** HHSC should improve transparency by documenting and sharing specific changes that lead to substantial reimbursement reductions.
3. **Need for Stakeholder Input:**
	* **Issue:** Reworking of the SHARS manual and response to the OIG audit occurred without adequate stakeholder input.
	* **Recommendation:** Involve parents, school staff, subject matter experts, and communities in the creation of SHARS-related rules and regulations.
4. **Pathway for School District Success:**
	* **Issue:** Inadequate HHSC training for district staff and reliance on open-ended reporting forms.
	* **Recommendation:** Update HHSC training and ensure reporting forms feature a menu selection process to improve accuracy and reduce dependency on third-party billers.

**General Concerns**

1. **Implementation and Compliance:**
	* **Issue:** Proposed changes significantly increase the administrative burden on districts.
	* **Recommendation:** Maintain streamlined processes as emphasized in the current SHARS Handbook and federal guide to ensure practical implementation.
2. **Training and Competency Verification:**
	* **Issue:** New requirements introduce additional complexities.
	* **Recommendation:** Align training and competency guidelines with federal recommendations to avoid unnecessary administrative tasks.
3. **Lack of Subject Matter Experts at HHSC:**
	* **Issue:** HHSC lacks subject matter experts and excludes knowledgeable individuals from planning and decision-making.
	* **Recommendation:** Involve knowledgeable individuals in planning to ensure policies and implementations align with school district needs.

**Specific Concerns**

1. **Nurse-Delegated Tasks:**
	* **Issue:** Definitions for 'regular intervals' and specific delegated tasks are unclear.
	* **Recommendation:** Provide clear definitions and practical guidelines to minimize administrative burden.
2. **Definition of PCS and Requirements:**
	* **Issue:** Need for clear definitions of functional, cognitive, and behavioral limitations.
	* **Recommendation:** Ensure comprehensive inclusion of these limitations.
3. **ADLs and IADLs:**
	* **Issue:** The list should include a broader range of activities to support student needs.
	* **Recommendation:** Ensure flexibility and inclusivity in the list of activities.
4. **Group PCS Billing:**
	* **Issue:** Prohibition contradicts federal recommendations for flexible billing.
	* **Recommendation:** Maintain current group billing policies to ensure flexibility and practicality.
5. **Documentation Requirements:**
	* **Issue:** Extensive documentation requirements are impractical and burdensome.
	* **Recommendation:** Streamline documentation processes to avoid excessive administrative work.
6. **Interim Claiming and Timed Units:**
	* **Issue:** New requirements set impractical standards.
	* **Recommendation:** Implement practical billing practices that align with current policies and federal guidelines.

**Comparative Analysis of PCS Policies in Other States**

Research on PCS policies from various states highlights key issues Texas should consider:

* **Oklahoma, Colorado, Arkansas, Massachusetts, Michigan, Nebraska, Pennsylvania, Rhode Island, West Virginia:**
	+ **Concerns:** Texas should adopt comprehensive assessment guidelines, ensure PCS services are included in treatment plans, align PCS documentation with IEP requirements, include common sense qualification and training documentation, and ensure thorough documentation and continuous training for providers.

**Proposed Changes with No Basis in Federal Guidelines**

Comparison with the CMS guide reveals several proposed changes in Texas lack federal support:

1. **Nurse-Delegated Tasks:**
	* **Issue:** Frequent evaluations and detailed documentation.
	* **Recommendation:** Eliminate excessive requirements to align with CMS’s emphasis on reducing administrative burdens.
2. **Documentation Requirements:**
	* **Issue:** Requirement for specific start and end times.
	* **Recommendation:** Remove impractical requirements to streamline documentation processes.
3. **Prohibition of Group PCS Billing:**
	* **Issue:** Prohibition contradicts CMS’s recommendations for flexible billing.
	* **Recommendation:** Maintain current group billing policies for flexibility.

**Overall Conclusion and Recommendations**

By addressing these concerns and aligning the proposed SHARS policy changes with both federal guidelines and best practices from other states, Texas can enhance the program's effectiveness and efficiency. Ensuring these revisions are practical, flexible, and supportive of actual needs will facilitate smoother implementation and reduce the administrative burden on districts.

**Key Recommendations:**

1. **Implementation and Compliance:**
	* Maintain streamlined processes as emphasized in the current SHARS Handbook and federal guide.
2. **Training and Competency Verification:**
	* Align training and competency guidelines with federal recommendations.
3. **Nurse-Delegated Tasks:**
	* Eliminate excessive requirements for frequent evaluations and detailed documentation.
4. **Definition of PCS and Requirements:**
	* Ensure clear definitions and comprehensive inclusion of limitations.
5. **ADLs and IADLs:**
	* Include a broader range of activities and ensure flexibility and inclusivity.
6. **Group PCS Billing:**
	* Maintain current group billing policies.
7. **Documentation Requirements:**
	* Remove the requirement for specific start and end times.
8. **Interim Claiming and Timed Units:**
	* Implement practical billing practices aligned with current policies and federal guidelines.
9. **Involve Multiple Stakeholders:**
	* Involve multiple stakeholders in the policy change process.
10. **Trust in Licensed Staff’s Judgment:**
	* Minimize additional requirements for nurse-delegated tasks.
11. **Ensure Comprehensive Service Provision:**
	* Include a broader range of functional skills in PCS reimbursement.
12. **Avoid Impractical Standards:**
	* Ensure practical documentation requirements and maintain group PCS billing policies.

By adopting these recommendations, Texas can maintain high standards of care for students requiring personal care services while ensuring compliance with federal guidelines. This approach supports school districts in delivering essential services without unnecessary complexity, allowing them to focus on the needs of their students.

Questions may be directed to HHSC SHARS staff or TASB School Medicaid Services Division Director, Dr. Karlyn Keller at karlyn.keller@tasb.org.

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