

TASB Special Education Solutions



Audit Preparation Manual for School Health and Related Services (SHARS)

A User's Guide for School Districts

Version April 2018



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This information is provided for educational purposes only to facilitate a general understanding of the law or other regulatory matter. This information is neither an exhaustive treatment on the subject nor is this intended to substitute for the advice of an attorney or other professional advisor. Consult with your attorney or professional advisor to apply these principles to specific fact situations.

The information in this report may include the intellectual property of third parties.

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Background

This project was completed to provide guidance to districts in preparation for a SHARS audit. This document is not meant to replace review by a lawyer, the Texas Education Agency, Texas Medicaid & Health Partnership (TMHP), or an auditor. It serves as a guide to assist the district in determining how to prepare for a SHARS audit and identifying next steps.

PURPOSE OF AUDIT

The purpose of the School Health and Related Services (SHARS) program compliance review is to:

- ❖ Monitor provider program and payment compliance with program rules and guidelines for certain health-related services provided to Medicaid-eligible children with special needs enrolled in special education
- ❖ Obtain information to assist school districts with SHARS reimbursement claims and cost reporting
- ❖ Provide technical assistance and policy clarifications to school districts
- ❖ Validate information reported to Health and Human Services (HHSC) by school districts
- ❖ Work in cooperation with school districts to minimize exposure to provider waste, program abuse, and fraud

NOTIFICATIONS FROM AUDITING ENTITIES

Districts may be notified of an upcoming audit in numerous ways. There is no one specific method of notification. It is important that those in the central office be aware that any correspondence or calls that are taken which reference an audit, review, or compliance should be immediately directed to the SHARS division/administrator.

Once the director of the department is notified, he/she/they will determine who else should be aware of the audit. Suggestions for those who may need to be aware include but are not limited to the following:

- ❖ Finance/Business Office Contact
- ❖ Service Providers
- ❖ ARD Coordinators
- ❖ Special Transportation Contact
- ❖ Central Office Administrators
- ❖ TASB Special Education Solutions

As the Medicaid primary contact, it is essential to communicate to appropriate stakeholders that the district has received notification of an audit.

See **Appendix A** for examples of Notifications

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SCOPE OF THE AUDIT

Identify the specific areas the audit addresses (as applicable):

- ❖ Service Date Range – In SMART reports, run a Session Export with the audit date range to identify which services were billed
- ❖ Students
- ❖ Services – PCS, Related Service, Transportation, etc. – This will be identified on the Session Export
- ❖ Programs Covered – SHARS, MAC, RMTS, Cost Report, etc.
- ❖ Staff Members – The service providers will be identified on the Session Export
- ❖ Financial Information – This will be identified on the Session Export (i.e., unit fee, billed amount, reimbursed amount, etc.)
- ❖ SHARS Documentation – Pull session notes from SMART.Net.
 - Providers with electronic signature - Go to Utilities > Print Web Provider Sessions
 - Providers without electronic signature (e.g., paper or “ticket”) - The SHARS administrator will need to pull copies of the session notes submitted by providers

COLLECT DOCUMENTATION

Create a checklist or excel document by child to include:

- ❖ An entry for each child individually
- ❖ ARD/IEP document

(NOTE: It is important to provide the annual ARD that covers the date range. Only include amendments, revision, or brief ARDs, if a service is specifically discussed. All others are optional potentially, look at those on a case by case basis.)
- ❖ Student attendance records for the date range
- ❖ Assessment evaluations (include FIE and eligibility reports)
- ❖ Provider qualifications
- ❖ Electronic signature certification (if applicable)
- ❖ Parent consent/annual notification
- ❖ Required prescriptions or referral for services
- ❖ Session notes
- ❖ Written agreements for contracted service providers
- ❖ Supervision logs
- ❖ Special transportation documentation
- ❖ Claims submittals and payment histories
- ❖ Certification of Funds (COF) letters
- ❖ Non-school SHARS provider affiliation letter (if applicable)

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- ❖ Create a list of all staff involved in the audit from the student list
 - Identify supervisors
 - Identify electronic signature providers
 - Utilize one list to check off each item reviewed or collected
 - Note any questioned items by creating a second list of missing items and a third list of discrepancies
 - Identify additional materials or methods the district can use to obtain the identified missing items

DOCUMENTATION EXPLAINED

ARD/IEP Documents (medical necessity; examples of SHARS services)

- ❖ Medical necessity documentation (i.e., Diagnoses and history of chronic conditions or disability) – in IEP/ARD and backup with FIE, Eligibility Report or prescription
- ❖ SHARS Service documentation (i.e., Full IEP/ARD with PLAAFP, supplements, schedule of services, etc.)

Attendance records

- ❖ Aligned to the date range identified in audit letter
- ❖ Less is sometimes more – There is no need to over communicate information that is not within the scope of the audit
- ❖ The audit is specific to absences, not tardiness, late arrivals, etc.
- ❖ This may be gained from the Student Information System
- ❖ There is no need to submit every period. Auditors are looking for the district's ADA period (typically around 10 am)
- ❖ If there is a discrepancy on the attendance record, indicate this in the district's discrepancies or the audit documentation

Assessment/Evaluations

- ❖ Include the Full and Individual Evaluation(FIE) and eligibility report
- ❖ The eligibility report for Related Services are recommended if aligned to the audit
- ❖ If the student has a Review of Existing Evaluation Data (REED) in place of the last FIE and eligibility reports, it is important that the district is sending the documentation that establishes the disability
- ❖ If the district does not have an FIE, eligibility report, or REED that is up to date, please call TASB Special Education Solutions to problem solve how to address this compliance issue

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Provider qualifications (current licenses and certifications) - Many are available through public portals OR through Human Resources:

- ❖ Teacher Certifications (some paraprofessionals)-secure.sbec.state.tx.us/sbeconline/virtcert.asp
- ❖ Paraprofessionals – Not all paraprofessionals have a certification or license. Include a statement indicating no licensure/certification required or available for any that do not have a certification/license
- ❖ Bus Drivers – Copy of their Driver’s License (CDL)
- ❖ Speech Language Pathologist, Assistants & Audiologist - <https://vo.ras.dshs.state.tx.us> (mid page under Check License Status or Search for a License)
- ❖ Grandfathered Speech Language Pathologist – secure.sbec.state.tx.us/sbeconline/virtcert.asp
- ❖ Licensed Professional Counselor - <https://vo.ras.dshs.state.tx.us> (mid page under Check License Status or Search for a License)
- ❖ School Psychologist & Licensed Specialist in School Psychology - <https://www.tsbep.texas.gov/public-information-on-licensees> (under B Online Public Search – click Public Licensee Search, Click on Public License Search on next webpage)
- ❖ Occupational Therapist & Assistant - <http://www.ptot.texas.gov/page/ot-license-search> (mid-page and choose search by name)
- ❖ Physical Therapist & Assistant - <http://www.ptot.texas.gov/page/pt-license-search> (mid page and choose search by name)
- ❖ Nurses - https://www.bon.texas.gov/licensure_verification.asp

Written agreements (contract) for contracted service providers

- ❖ Copy of the contract with the individual and/or company
- ❖ Copy of licensure for each contractor

Required prescriptions or referrals for services

- ❖ Primarily these will be for Occupational Therapy, Physical Therapy
- ❖ Speech is covered under the FIE & Eligibility Report
- ❖ Nursing service is covered by orders signed by a medical practitioner

Supervision logs (as applicable to licensure)

- ❖ Session notes or service logs, including provider signatures (electronic or written)
- ❖ Supervision is only required for those required to have supervision by law (SLPA, Grandfathered SLP, PTA & COTA)

This is not supervision aligned to employment but to licensure only

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Special Transportation documentation (daily trip logs; maintenance logs/records; bus documentation; documentation for cost report)

- ❖ Only submit information if specifically billed for date range is being audited
- ❖ Only submit specific items to the audit:
 - Daily trip logs are needed for student level audit
 - Maintenance logs/records are needed for cost report audit. Not required in student level audit
 - Bus documentation – If requested, contact TASB Special Education Solutions to problem solve with the district
 - Documentation for cost report – gas, mileage, insurance, and maintenance records may be requested in cost report audit. This is not required in student level audit

Claims Submittal and Payment Histories (R&S Reports and General Ledger)

- ❖ The Remittance and Status (R&S) should be regularly downloaded and maintained (Source: TMHP website)
- ❖ If the district did not maintain these, a request may be made directly to TMHP. There may be a charge and the time limit to obtain them is not guaranteed

Copies of signed/notarized quarterly Certification of Funds (COF) letters and supporting documentation, including quarterly COF Reports

- ❖ The COF reports should be regularly downloaded and maintained (Source: TMHP website)
- ❖ If the district did not maintain these, a request may be made directly to TMHP. Do not wait! There may be a charge and the time limit to obtain them is not guarantee

Non-school SHARS provider affiliation letter and attachments (if applicable)

- ❖ This is atypical. It only applies to the few schools who are using a non-school SHARS approved provider. If in question, contact TASB Special Education Solutions

IDENTIFY AND ADDRESS POTENTIAL DEFICIENCIES

Management Lists (Completed as part of *Collecting Documentation*)

- ❖ Utilize the three lists (see pg. 3) to review what has been collected, still missing, or any discrepancies. Discuss with the district's team preparing the audit and the director about additional material or methods
- ❖ Using the second and third list created in collecting documents (see pg. 3), begin to narrow down major concerns and issues

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Communicate with the director and supervisor or review the following questions:

- ❖ Can you find the documents somewhere else?
- ❖ Can you correct the deficiencies without altering the data?
- ❖ Is there an explanation the district can provide?

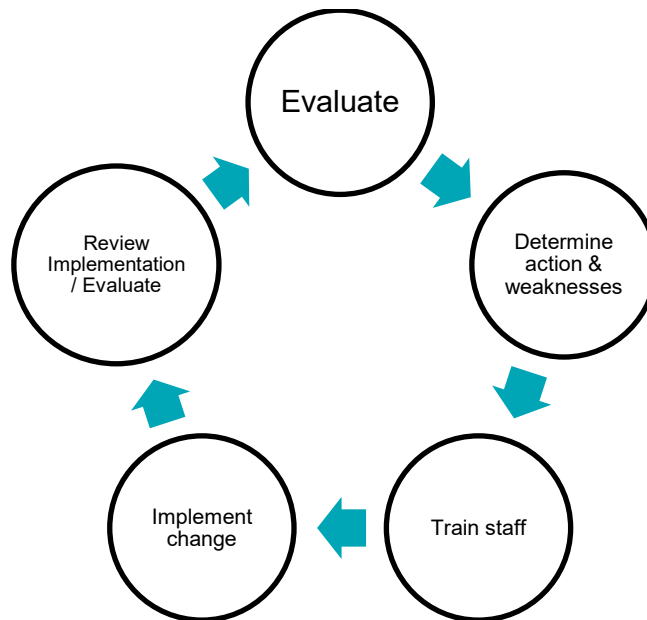
Remember the district must submit the records on file. Be sure the district is not falsifying or fraudulently creating documents that did not previously exist.

Bottom line: All discrepancies should result in a plan of action. It is better for the district to recognize and admit the problem as this indicates the district is aware of the concern and addressing it

- ❖ Do you have a plan for how to correct this in the future?
- ❖ What will the district do differently to prevent the issue?

TASB Special Education Solutions recommends the district thinks about the cycle of implementation in the corrections. Try to remain consistent and do not create multiple plans. Apply them across the board whenever the district is able to do so.

CYCLE OF IMPLEMENTATION



It is more efficient to tie the district's plan of action to the cycle of implementation and to be consistent on how concerns are addressed.

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ORGANIZE SUBMISSION

- ❖ If the district does not have a document that is being requested or is unsure of what is needed, please call TASB Special Education Solutions to problem solve the compliance issue.
- ❖ The Medicaid number is required to be on each student page that is submitted
 - This can be done in writing OR
 - The creation of labels with the student name and Medicaid ID can be run and affixed to each page (Source: SMART Reports: Student > Student Labels)
- ❖ Progress Notes - This is an audit of health and related services, so doctor's/medical facilities' progress notes are needed. At this time, there is not a reason to pull and submit student progress reports or report cards. The session notes are the equivalent of progress notes in this situation.
- ❖ It is recommended that the district go through each document submitted and highlight the pertinent information that relates to the medical necessity, the need for the services, and other aligned areas. If in doubt about whether it relates, highlight it.
- ❖ Do not remove pages from a particular document. If the ARD, IEP, FIE, Eligibility Report, etc. is missing a page, this could be questioned. An auditor may see it as withholding information.
- ❖ Number each meeting separately. There is no need to number the entire submission for an individual student. The goal is to number an ARD, FIE, etc. specific to an individual meeting.
 - Many times ARDs are numbered incorrectly due to the limitations of the software or additional pages added during the ARD
 - Add page numbers to the audit submission
 - Write by hand "x page of x" inclusive of each individual specific meeting
- ❖ Write the "number" of the page on the bottom and going through the entire stack. Determine the total number of pages. Then write "page of (insert the total number of pages)" on every page.
- ❖ It is recommended that the district makes a copy for record purposes (e.g., hard copy or electronic copy), allowing for ease if a follow-up request is required.

Recommended Submission Tips:

- ❖ Place the items in a binder or secured manner. It is not recommended to use binder clips or paperclips.
- ❖ Organize the binder into sections using dividers.
- ❖ Add a Table of Contents to walk the auditor through the data (See slide under "Submission Tool Example" for recommended order).
- ❖ Use the same Table of Contents with each student folder for consistency.
- ❖ In any section that does not apply to a particular child's submission, add in a sheet that indicates why it did not apply. For instance, "supervision not required," or "transportation not billed for this time period."

See **Appendix B** for sample Submission Tools

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TWO-LEVEL CHECK OF SUBMISSION

- ❖ Before the district submits the documentation, have at least one other person review the submission. In the midst of preparation, it is easy to overlook a small detail.
- ❖ It is recommended that the district have a third party review the submission before it is complete. TASB Special Education Solutions can assist with this task if provided with sufficient notice.

FINAL SUBMISSION

- ❖ It is recommended that the district makes a copy for record purposes (e.g., hard copy or electronic copy), allowing for ease if a follow-up request is required.
- ❖ Prepare for a potential appeal by maintaining copies of everything compiled.
- ❖ Each agency has its own requirements for submission, many are similar but not all.
- ❖ Be sure to read and understand the letter's requirements.
- ❖ Include an affidavit, if applicable.
- ❖ Include a signature page, if applicable.

Record Retention Reminders:

- ❖ Specific records that are required for SHARS become part of the student's educational records and must be maintained for seven years rather than the five years required by Medicaid.
- ❖ All records that are pertinent to SHARS billings must be maintained by the school district until all audit questions, appeal hearings, investigations, or court cases are resolved.

See **Appendix C** for Documentation Example

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APPENDIX A



12357-B Riata Trace Parkway, Ste. 100 -MC-A11
Austin, Texas 78727
(512) 506-7000

0000000000001234500

3/27/2017

Any District ISD
Attn: Someone
Important,
123 S MAIN ST
CITY TX 70000

SUBJECT: Request for extension for submission of records

Dear Someone:

The Texas Health and Human Services Commission (HHSC), the single state agency for the Texas Medicaid program, oversees an ongoing review of provider services. The HHSC has entered into a contract with TMHP for these reviews. Authority for this action can be found under 1 Texas Administrative Code (TAC) 354.1137 and 354.1159. Services, which have been billed to the Medicaid program under your provider number(s), have been selected for review.

Please send a copy of the complete medical, dental, or school record for the Medicaid clients on the enclosed list.

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OFFICE OF INSPECTOR GENERAL

TEXAS HEALTH & HUMAN SERVICES COMMISSION

STUART W. BOWEN, JR.
INSPECTOR GENERAL

February 23, 2017

Any ISD
1234 N IH 35
My City, TX 70000-1234

CERTIFIED MAIL NUMBER—701428700001234567
RETURN RECEIPT REQUESTED

Division of Medical Services (DMS) Account Number: 2016D00000

Dear Any ISD:

The Texas Health & Human Services Commission (HHSC), the single state agency for the Texas Medicaid program, performs an ongoing review of provider services. As a result of this ongoing process, you have been selected for review. Please include copies of all medical record documentation to support services billed. In addition, include a copy of all orders, evaluations, progress notes, test results, attendance logs, transportation records, IEPs, ARDs, and signature sheet for all persons providing services to clients at your facility during the time period requested, and any other documents made a part of the client's records for the specified dates. If your office uses electronic health records and/ or electronic signatures, please provide the system process for validation of the signatures. Copies of the complete medical records for the Medicaid clients listed below must be received at the following address and should include a copy of the Master List.

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APPENDIX B

TABLE OF CONTENTS

1. SHARS Support Documents

Student: _____

Identified Services: _____

Medical Records Affidavit
Signature Page
Discrepancies Explanation

2. IEP/ARD Document

Newest to Oldest
Medical Necessity Documentation
Service Determination Documentation

3. Current Provider Qualifications (licenses)

4. Attendance Records

5. Prescriptions and Referrals

Full and Individual Evaluations (FIE)
Prescriptions (if applicable)

6. Session Notes/Service Logs

7. Supervision Logs

8. Special Transportation Logs

9. Claims Submittal and Payment Histories

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APPENDIX C

BUSINESS RECORDS AFFIDAVIT

THE STATE OF TEXAS
COUNTY OF _____

I, _____, Custodian of Records for
(Custodian of Records Printed Name)
_____, _____,
(Provider or Facility Printed Name) (Provider or Facility Printed Address)
_____, Texas, do hereby certify that I am of sound mind,
(Provider or Facility Printed City)
capable of making this affidavit, and personally acquainted with the facts stated herein.

Attached hereto are _____ pages of records from the above listed provider or facility. The said pages were kept by the above listed provider or facility in the regular course of business, and it was the regular course of business for me and any employee or representative of the above listed provider or facility with knowledge of the act, event, condition, opinion, or diagnosis recorded to make the record or to transmit information thereof to be included in such record; and the record was made at or near the time or reasonably soon thereafter.

The record attached hereto is the original or exact duplicate of the original and no other documents exist on the file for _____,
(Printed Patient Name)

Medicaid recipient # : _____ for the time period _____.
(PCN) (Admission and Discharge Date)

(Affiant's Signature)

SWORN TO AND SUBSCRIBED before me on this the _____ day of _____, 20____.

(Notary Public, State of Texas)

SEAL

(Notary's printed name)

My commission expires: _____