

Texas SHARS Timeline Overview  
2017 to Date

Year	Change/Event	Details	Impact on School Districts	Outcome on Districts
2017	SHARS Administrative Fee and Third-Party Liability	A 1% administrative fee was implemented on all SHARS claims without prior notice to districts; districts were surprised by the sudden loss of funds due to the fee. Third party liability was included in the SHARS program.	Disrupted budget planning and created financial uncertainty, requiring immediate adjustments to account for reduced reimbursements. There was a lack of understanding related to third party liability.	Lack of notice created mistrust between districts and HHSC. The absence of clear training on third-party liability caused confusion, leaving districts uncertain about handling parent inquiries and reimbursement processes.
2017	Release of OIG Audit Results	Findings from the 2010 review were released, highlighting significant compliance issues, improper billing, and other areas needing correction. The state began appealing the findings.	Districts for the most part were unaware of this report or the appeals.	Later the lack of knowledge impacted the districts understanding of changes occurring in the program.
2020	Targeted Parental Consent Requirement Introduced	TEA indicated that parental consent must only be obtained after a district has confirmed the family has Medicaid.	Districts were forced to change procedures mid-year which impacted their compliance.	Procedures that included asking parents for parental consent as part of child find and transfers had to be discontinued leaving it to staff to ascertain ahead of time if a family was covered under Medicaid. Schools were concerned that asking this question of families might be considered insensitive and inappropriate.
2020	STAIRS Platform Migration	The SHARS Cost Report was migrated to the new STAIRS platform.	Required districts to train staff on the new system, adapt workflows, and ensure accurate data entry. District superintendents must provide access yearly to the system.	The migration caused temporary disruptions and increased workload as staff adjusted to the new system, impacting report accuracy during the transition as data was not migrated into the new system. District processes are impacted yearly in trying to gain access to work on the cost report.
2020	COVID-19 Disaster Flexibilities for SHARS	Temporary flexibilities allowed telehealth and modified supervision requirements due to the pandemic.	Enabled continued service delivery during school closures but required rapid adaptation to new technologies and procedures.	Although flexibilities were beneficial, many districts struggled with inconsistent guidance, leading to varying implementation success.
2021	Parental Consent Requirement	Required for districts to submit SHARS claims; codified into state rules in TAC in 2022.	Added state requirement to secure written parental consent, which had already been part of SHARS through IDEA.	No impact as districts were already seeking parental consent.
2021	Parental Consent Requirements Clarified in SHARS Policy	Written parental consent required before accessing Medicaid for SHARS services.	Required districts to manage and file consent forms, increasing oversight and delaying billing.	Delays in receiving proper training and unclear guidance left districts struggling to implement changes, affecting claiming.
2021	Documentation Timeliness	Documentation of services must occur within 7 days of service delivery.	Increased pressure on staff to document services promptly, adding to workload and compliance challenges. This was a considerable change given that previously it had been 365 days.	Many districts experienced difficulty meeting deadlines, leading to claims denials and increased internal audits to maintain compliance. Note that the state did accept input as originally they were considering 48 hours.
2022	Retrospective Billing Unallowable	TEA indicated that retrospective billing after parent consent was unallowable.	The state had a history of retroactive billing as consent was related to releasing information and a student's information was not released until after parental consent was obtained.	Confusion by districts at this departure without notice or clear explanation for the change in interpretation.
2022	TAC §354.1341 & §354.1342 Amendments	Updated benefits, limitations, and conditions for SHARS participation. Key changes included stricter documentation, supervision standards, and detailed compliance measures.	Ongoing impacts include frequent updates to policies, increased training, and adjustments to documentation and billing processes.	Ongoing confusion and repeated updates caused frustration among districts, as consistent changes required continuous training and administrative adjustments.
2022	Interim Claiming Requirements	LEAs mandated to submit interim claims aligned to different standards for their SHARS services within the cost report period.	Increased administrative workload given that now every student must have a billed claim for every related service and all personal care and transportation must be claimed.	The frequent claims submission requirement added complexity, causing errors and delays that required districts to frequently adjust their processes. Districts are concerned about non-compliance as this standard with the seven day documentation window will cause staff overload and burn out.

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2022	Permanent Telehealth Reimbursement	Telehealth services for PT, OT, ST, and more were made permanently reimbursable.	Expanded service options but required investments in technology and adherence to new protocols.	While beneficial for service flexibility, the rapid shift to telehealth created challenges with implementation and regulatory compliance.
2022	Cost Report Reductions for Disallowances	Districts were notified that the IEP and transportation ratio for the cost report would be reduced to include only students with parental consent.	Districts struggle to understand how parental consent factors into the cost report ratio as this settle up process does not apply to any specific child's Medicaid.	Further reduction of the IEP and transportation ratios impact school funding without prior training or explanation. Districts frustrated by these ongoing changes without explanation or notice.
2023	Required Third Party Liability to be Included in Parental Consent	TEA indicated that third party liability explanation must be included in the parental consent.	Schools were unsure how to proceed as all parental consent until then did not have this requirement and no policy change seem to indicate this requirement.	Districts struggled to understand the why behind this change as well as the scope of the requirement.
2023	Appeals and Final Application of OIG Audit Findings	Following appeals by Texas, the findings from the 2010 OIG review were upheld, and final corrective actions were applied statewide.	Districts faced compliance measures and potential financial penalties.	Finalized audit results solidified new compliance requirements, adding a layer of ongoing scrutiny and pressure on districts to prevent future errors.
2023	Decrease in Funding for FFY 2022 Cost Report	In December 2023, districts experienced a significant decrease in SHARS funding based on the FFY 2022 cost report due to adjustments in reimbursement methodologies.	Unexpected financial shortfalls required districts to make immediate adjustments, affecting budgets and service delivery.	The sudden decrease in funding left districts scrambling to reallocate resources, leading to potential service cuts and increased financial instability.
2024	Major Overhaul of Personal Care Services (PCS)	The 2024 overhaul included the end of group PCS, stricter documentation, enhanced supervision, and individualized service models.	Will require significant changes in service delivery, increasing staffing costs, training needs, and administrative oversight. Districts await clarifications on how this will specifically impact them as only an overview notice has been provided. The new TMPPM has not been provided to give specifics.	Input from the districts was sought at the end of June just before district shut down in early July leaving few days to respond. Districts are struggling with the shift, they worry about increased costs and operational challenges. Many report concerns with meeting new compliance standards which may lead to service disruptions and staff burnout. Districts are concerned as these changes must be implemented on October 1 but they do not have specifics about the changes which are needed for staff training and planning.
2024	IEP Ratios Reduction for FFY 2023	Districts notified that IEP ratios will be reduced for students included in the IEP ratios that do not have paid claims.	Districts are concerned that these standards were not part of the cost report training nor were they explained at any time during the fiscal period. They are being applied retrospectively and negatively impacting the funding.	Districts continue to be frustrated by the application of rules in ways that they have not been trained on after the fact further reducing funding for the program.
Ongoing	TMPPM updates for School Health and Related Services	The state has the ability to update the TMPPM for SHARS on a monthly basis. These changes are announced days before the new month occurs.	Update of the TMPPM for SHARS may occur on a monthly basis with only days to alter processes.	The ongoing changes increase confusion and workload without additional resources, causing strain on district staff to meet the new requirements with little to no notice.
Ongoing	Reimbursement Methodologies and Cost Reporting Adjustments	Updates in TAC §355.8443 to align SHARS reimbursement methodologies with Medicaid standards and regulations.	Required districts to constantly adapt to evolving policies, increasing training needs and administrative complexity.	The ongoing nature of updates created persistent uncertainty, with districts frequently seeking clarification and struggling to keep pace with the changes.
Ongoing	Cost Report Settlement Disallowances	Multiple stages of audits occur with the cost report beginning in April after submission. Districts are asked questions and for back up with short turn around times and when documentation was provided in the STAIRS systems. Disallowance identified with little information shared with the districts.	Districts have little time to respond to inquires. They do not receive word of outcomes in many cases until the settlement offers in December. Disallowances are explained in one or two sentences. Settlement offers are made in December and districts have 30 calendar days to request a review. Two weeks of which the district is shut down.	Frustration grows as districts are uncertain what will be the new focus. They do not know where they stand after being asked for data. When disallowances occur many times they are left guessing related to what the disallowance is about. Districts are frustrated with the timeline as it leaves little room for them to understand and respond appropriately.