

For TASB
Overall
SHARS
Information
for 2024-25



SHARS Matters

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SHARS Return on Investment and Strategic Considerations

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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. This presentation was developed with the assistance of an artificial intelligence tool, specifically a large language model (LLM). The AI provided support in generating textual content, augmenting data analysis capabilities, and aiding in the development of insights.



Disclaimer

This presentation includes a general analysis of Return on Investment (ROI) that may not directly apply to any specific district. The numbers provided are placeholders and should not be interpreted as accurate for your district. For a meaningful analysis, please base calculations on your district's specific data. This information is provided solely for demonstration and training purposes.



Understanding the Return on Investment for School Medicaid (SHARS) Program

The purpose of this document is to provide one approach for analyzing the return on investment (ROI) for school districts participating in the School Medicaid/School Health and Related Services (SHARS) program. While this framework offers a general guide, it is essential to conduct district-specific financial analysis in addition to consulting professional advisors. Every district's circumstances are unique, and this analysis should not be the sole basis for decision-making.

Recent changes to the SHARS program, including shifting reimbursement rates, audit exceptions, and evolving compliance requirements, make careful financial evaluation more critical than ever. By understanding the program's costs and revenue associated with SHARS participation, districts can make informed decisions that align with their financial and operational goals.

This document outlines the potential costs and revenue associated with participation, as well as the broader context beyond financial returns. The intent is to support districts in making informed decisions by considering both the advantages and challenges of the program. This guide offers illustrative calculations based on district size, from small to very large districts, to help assess the potential viability, benefits and costs of participating in the SHARS program.

Please note that this analysis is intended for demonstration and training purposes only, using placeholder figures. Districts should perform their own analysis based on their specific data to guide participation decisions. This information is provided for educational purposes only. Consult with your attorney or professional advisor to apply these principles to your specific situation.

Costs of Participating

Direct Costs:

- **Administrative Expenses:** Salaries for administrative staff managing the program.
- **Training Costs:** Expenses for ongoing training and professional development.
- **Documentation and Compliance:** Time and resources spent on documentation and ensuring compliance.
- **Audit Costs:** Expenses related to preparing for and responding to audits.

Indirect Costs:

- **SHARS Claiming:** Costs associated with working with a vendor to file claims. SHARS technology and processing.
- **Implementation Costs:** Initial setup costs, including software, training, and process changes.
- **Staff Morale and Turnover:** Costs related to potential staff turnover and hiring/training new staff due to frustration and burnout.
- **Compliance and Documentation:** The costs associated with ensuring documentation compliance, including ongoing training, monitoring, and the administrative burden on staff.
- **Audit Costs:** Increase in the frequency and cost of audits, including preparation time, potential fines, and the administrative burden of responding to audit requests and findings.

Revenue Generated

These three factors that you can use to determine your generated revenue:

- **Reimbursement Rates:** Information on reimbursement rates for different services.
- **Billing and Claims:** Process for submitting claims and typical turnaround times.
- **Cost Report Settlement:** Overall funds associated with providing school Medicaid services.

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Calculating the Return on Investment (ROI): Step by Step Overview

When considering whether to participate in the School Medicaid (SHARS) program, it is important to take a rounded approach to decision-making. Financial factors are just one part of the equation, and while this framework provides a framework for estimating costs and potential revenue, it should be used as a guide rather than a definitive answer for your decision. Every district has unique circumstances that need to be taken into account.

This method offers a way to estimate how much revenue your district might need from the Medicaid program to be participation beneficial. It is designed to support your decision-making but should not be the only factor. The estimates in this example are based on a mid-sized district, and it is recommended that you consult with your professional advisors to reflect your district's specific situation.

Step 1: Identify Known Costs

Direct Costs:

- **Administrative Expenses:** Salary costs for administrative staff managing the program.
- **Training Costs:** Expenses for ongoing training and professional development.
- **Documentation Costs:** Time and resources spent on documentation and compliance.
- **Audit Costs:** Expenses related to preparing for and responding to audits.

Indirect Costs:

- **SHARS Claiming:** Costs associated with working with a vendor to file claims. SHARS technology and processing.
- **Implementation Costs:** Initial setup costs, including software, training, and changes to process.
- **Staff Morale and Turnover:** Estimated costs related to potential staff turnover and the need to train new staff due to frustration and burnout.
- **Compliance and Documentation:** Estimated costs related to documentation compliance, including ongoing training, monitoring, and the administrative burden on staff.
- **Audit Costs:** Estimated costs related to audits, including preparation time, potential fines, and the administrative burden of responding to audit requests and findings.

Step 2: Estimate and Calculate Known Costs

You may not have precise figures, but you can create an estimate based on averages or similar districts.

• Administrative Expenses	\$60,000
• Training Costs	\$12,000
• Documentation and Compliance	\$30,000
• Audit Costs	\$18,000
• Staff Turnover	\$24,000
• Implementation Costs	\$36,000

Step 3: Determine Minimum Reimbursement to Justify Participation

Calculate the minimum annual reimbursement needed to justify participation by ensuring it covers costs and provides a sufficient margin to account for other unquantified costs. Be sure to include the costs of your SHARS technology and claims processing program.

Example Calculation:

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Return on Investment Analysis Example: Financial Estimates by District Size

The following financial estimates provide a general idea of the costs and revenue needed for different district sizes to participate in the SHARS program. These estimates are based on typical expenses and anticipated revenue, but with the growing demands of the program, audit exceptions, and changing parameters, districts should approach these numbers cautiously. These estimates are intended as a framework to understand potential financial commitments and should be adjusted to fit your district's specific data, as well as any evolving requirements or unforeseen factors. Final decisions should be made with expert input and careful consideration.

Very Small District (Fewer than 1,000 Total Students):

Cost Estimate Break Down

Very Small District (Fewer than 1,000 Total Students) Example			
Cost Item	Annual Cost	Initial Cost	Total Cost
Administrative Expenses	\$9,000		\$9,000
Training Costs	\$1,500		\$1,500
Documentation and Compliance	\$4,500		\$4,500
Audit Costs	\$3,000		\$3,000
Staff Turnover	\$3,000		\$3,000
Implementation Costs		\$9,000	\$9,000
Total Annual Costs	\$21,000	\$9,000	\$30,000
Total with 20% Margin	\$25,200	\$10,800	\$36,000
Desired Net Profit (10%)	\$2,520	\$1,080	\$3,600
Total Revenue Needed	\$27,720	\$11,880	\$39,600

Reimbursement Per Student			
District Size	Number of Students	Total Revenue Needed	Revenue Per Student
Low End	1	\$27,720.00	\$27,720.00
High End	999	\$27,720.00	\$27.75

Conclusion

In today's funding landscape, districts face tough decisions about financial support opportunities. The increasing demands of the school Medicaid program—such as audit complexities, shifting requirements, and settlement issues—add to the challenge. This analysis is intended to help guide districts in their decision-making, alongside input from professional advisors. It is important to review your SHARS program carefully before making any final decisions. While financial reimbursements must cover costs and provide a net benefit, districts should also consider the administrative workload, staff well-being, and alignment with their overall mission.

Note: This information includes a general analysis of Return on Investment (ROI) that may not directly apply to any specific district. The numbers provided are placeholders and should not be interpreted as accurate for your district. For a meaningful analysis, please base calculations on your district's specific data. This information is provided solely for demonstration and training purposes.

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Introductions



I would like to get to know my audience.

Please add to the chat:

- Name
- District/ESC/Entity
- Role

Overview of Training



Purpose of the Discussion
Revenue and Costs
Overall Benefits
Decision-Making Guide
SHARS EOY Review
Maximizing SHARS Program

Remember: Funds Come with Strings Regardless of the Source

Tip: SHARS funds have requirements like all funding sources.

Understand and Adhere to Funding Requirements:

Carefully review all funding source documentation to understand the terms, conditions, and specific requirements. This includes deadlines, reporting expectations, and how the funds must be used.

Effective Implementation Planning:

Develop a detailed implementation plan for the program. This should outline requirements, timelines, roles, and responsibilities.

Maintain Accurate and Detailed Records:

Keep meticulous records of all transactions and activities related to the funding source. This is crucial for audits and required reporting to the funding provider.

Regular Monitoring and Reporting:

Monitor the progress of funded projects regularly to ensure they are on track to meet requirements within the stipulated timelines. Prepare and submit all required reports to as scheduled to demonstrate transparency and accountability.

Evaluate Outcomes and Compliance:

Consistently monitor the program's progress and performance against requirements. Regularly assess compliance with these stipulations and adapt implementation strategies as needed to ensure ongoing adherence.

Analysis

- Costs of Participating
- Revenue Generated
- Return on Investment Formula
- Detailed ROI Calculation
- Financial Estimate Calculation
- Benefits of Staying in or Joining the School Medicaid Program
- Challenges of Staying in or Joining the School Medicaid Program
- Actionable Next Steps

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Costs of Participating

Direct Costs:

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Indirect Costs:

- SHARS Claiming: Costs associated with working with a vendor to file claims. SHARS technology and claims processing.
- Implementation Costs: Initial setup costs, including software, training, and process changes.
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- Audit Costs: Increase in the frequency and cost of audits, including preparation time, potential fines, and the administrative burden of responding to audit requests and findings.

Revenue Generated

These four factors that you can use to determine your generated revenue:

- **Reimbursement Rates:** Information on reimbursement rates for different services.
- **Billing and Claims:** Process for submitting claims and typical turnaround times.
- **Cost Report Settlement:** Overall funds associated with providing school Medicaid services.
- **Historical Data:** Examples from similar districts showing potential revenue as well as the districts historical information.

Return on Investment (ROI) Formula

$$\text{ROI} = (\text{Net Profit} / \text{Cost of Investment}) \times 100$$

- ROI Calculation
Used to measure the profitability of an investment
- Net Profit
Difference between total revenue and total expenses
- Cost of Investment
Total amount spent on the investment

Detailed ROI Calculation Steps

Step 1: Identify Known Costs

- Direct Costs: Administrative, Training, Documentation, Audit
- Indirect Costs: Staff Morale and Turnover, Implementation

Step 2: Estimate and Calculate Known Costs

Step 3: Determine Minimum Reimbursement to Justify Participation

Step 4: Factor in Return on Investment (ROI)

Financial Estimate Calculation Example

Mid-Sized District (3,000-10,000 Total Students) Example			
Cost Item	Annual Cost	Initial Cost	Total Cost
Administrative Expenses	\$60,000		\$60,000
Training Costs	\$12,000		\$12,000
Documentation and Compliance	\$30,000		\$30,000
Audit Costs	\$18,000		\$18,000
Staff Turnover	\$24,000		\$24,000
Implementation Costs		\$36,000	\$36,000
Total Annual Costs	\$144,000	\$36,000	\$180,000
Total with 20% Margin	\$172,800	\$43,200	\$216,000
Desired Net Profit (10%)	\$17,280	\$4,320	\$21,600
Total Revenue Needed	\$190,080	\$47,520	\$237,600

Benefits of Staying in or Joining the School Medicaid Program

1. Enhanced Student Services:
 - Better health and educational outcomes for students served through SHARS.
 - Support for overall student well-being.
2. Professional Development Opportunities:
 - Ongoing training for staff.
 - Keeps staff updated with best practices and new regulations.
3. Culture of Compliance and Accountability:
 - Promotes district-wide compliance.
 - Ensures effective and regulated service delivery.
4. Significant Financial Reimbursement:
 - Substantial financial returns for services.
 - Supports program sustainability and growth.

Challenges of Staying in or Joining the School Medicaid Program

1. Administrative and Documentation Burden:
 - Extensive and complex documentation requirements.
 - Administrative and compliance demands may be disproportionate to the scale of operations.
2. Impact on Staff Morale and Turnover:
 - Managing audit exceptions and maintaining accurate documentation could add strain on staff.
 - Administrative demands can cause frustration and burnout.
 - Potential for high turnover rates.
3. Financial and Policy Uncertainty:
 - Unpredictable reimbursements.
 - Potential state or federal policy changes.
 - Changes in SHARS policies and reimbursement rates can introduce financial uncertainty.
4. Diversion from Core Educational Mission:
 - Administrative demands divert resources from core educational goals.

Actionable Next Steps

1. Assess Current Program and Data
2. Consult with Key Stakeholders
3. Calculate Custom ROI
4. Evaluate Staffing Needs
5. Monitor Compliance and Changes
6. Develop a Contingency Plan
7. Make a Data-Driven Decision
8. Establish an Ongoing Review Process

Conclusion

Financial Impact

- Generate sufficient annual reimbursements
- Cover costs and provide financial benefit

Administrative Capacity

- Evaluate the district's ability to manage the program

Staff Well-being

- Consider the impact on staff workload and morale

Overall Mission

- Align with the district's goals and objectives



Reminder

In today's funding landscape, districts face tough decisions about financial support opportunities. The increasing demands of the school Medicaid program—such as audit complexities, shifting requirements, and settlement issues—add to the challenge. This analysis is intended to help guide districts in their decision-making, alongside input from professional advisors. It is important to review your SHARS program carefully before making any final decisions. While financial reimbursements must cover costs and provide a net benefit, districts should also consider the administrative workload, staff well-being, and alignment with their overall mission.

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Questions?

SHARS Policy Changes in Review

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Summary of SHARS Policy Changes Fall 2024

Change	Description
Nursing Services	Clarified tasks must meet Texas Board of Nursing standards and adhere to specific TAC guidelines.
Physician Services	Procedure code updated from 99499 to T1023, limited to one service per day.
Speech Therapy Referrals	Speech evaluations documenting medical necessity can serve as referrals for therapy.
Personal Care Services (PCS)	New guidelines for PCS, including group settings, required competencies, ADL/IADL definitions, and recording of billable minutes. Group PCS modifier UD removed.
Reimbursement Guidelines	Revised to align with Texas Administrative Code Title 1 §355.8443, affecting interim claims and procedure codes. For more details, visit TMHP.

Summary of SHARS PCS Policy Changes Fall 2024

Change	Description
Group claiming	Group PCS modifier UD removed
Change in coverage	Exclusion of various services approved under PCS
Defining services	ADL/IADL definitions updated
Documentation	Change in how districts record billable minutes
Provider competencies	PCS Provider required competencies documentation

Practical Steps for Compliance



Training and Education

Ensure all providers are trained on new documentation requirements

Emphasize importance of detailed descriptions and precise time tracking



Use of Documentation Tools

Implement or update documentation tools for efficient logging

Digital tools or templates can reduce risk of missing or incorrect information



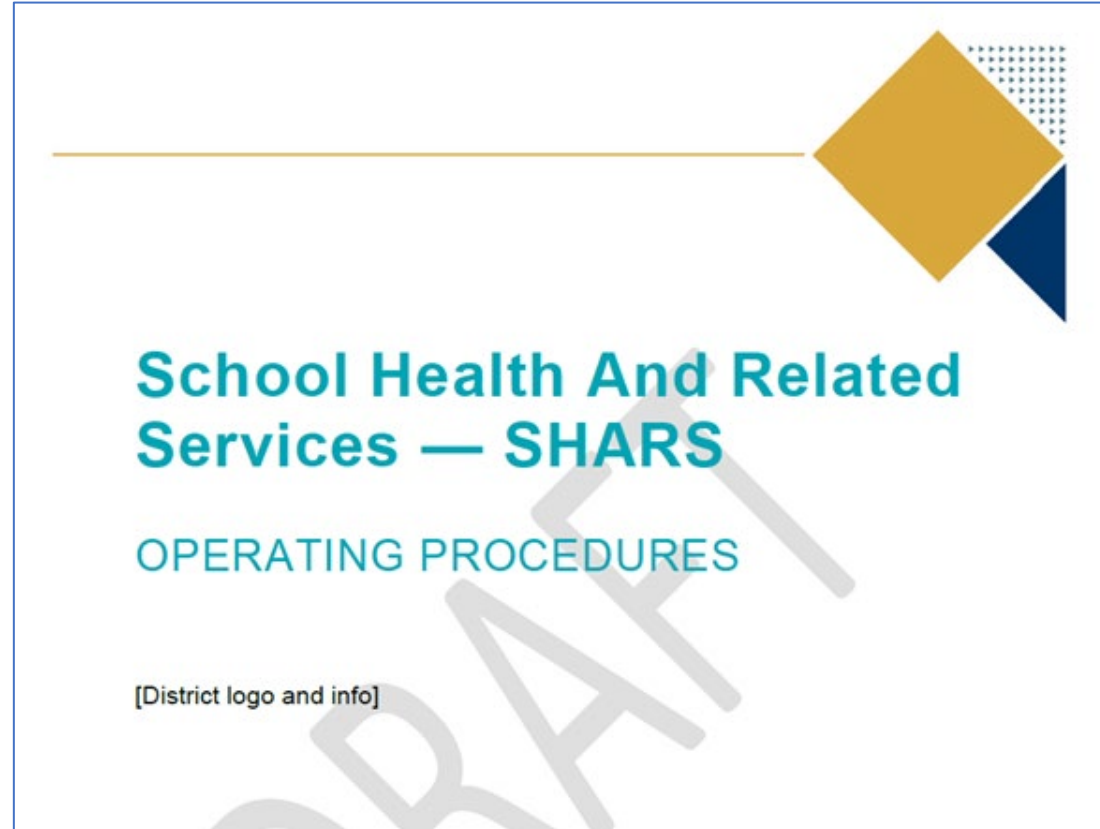
Regular Audits and Feedback

Conduct regular internal audits of service logs

Provide feedback to providers to help them adjust to new documentation process

Operating Procedures

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Why are Operating Procedures important?

- **Consistency** - Streamlined procedures ensure that tasks are performed consistently across the district. When each staff member follows the same steps, it becomes easier to maintain quality and compliance of claim documentation and submissions.
- **Time and Resource Savings** – Well-defined procedures reduce guesswork. Employees spend less time figuring out how to perform a task and are able to spend more time actually doing it.
- **Risk Reduction** – Operating procedures outline requirements and best practices. By adhering to these guidelines, districts can help mitigate risks associated with errors and non-compliance.
- **Training and Onboarding** – New employees can quickly understand their expected duties when there are clear operating procedures. Additionally, existing employees can adapt easier to changes.
- **Improved Communication** – Streamlined procedures facilitate communication across teams and departments. When everyone understands the process, collaboration becomes smoother. Employees can discuss specific tasks based on common duties, leading to better problem-solving and decision-making.

Why are Operating Procedures important?

- **Audit and Compliance** – Districts often undergo audits to ensure adherence to Federal and State guidelines. Streamlined procedures make it easier to demonstrate compliance during these audits.
- **Continuous Improvement** – While some areas can not be adjusted due to outside guidelines, regularly reviewing and updating procedures allows districts to identify areas for improvement. Streamlined processes may be refined over time, leading to increased efficiency and effectiveness.

Remember, operating procedures are not static; they evolve as the needs of the district, staff and students grow and change. Regular updates and feedback from providers and district staff is crucial to maintaining their effectiveness.

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Questions?

How to Strengthen Your SHARS Reimbursement

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