

School Health and Related Services

Medicaid services provided by school districts in Texas to Medicaid-eligible students are known as School Health and Related Services (SHARS). The oversight of SHARS is a cooperative effort between the Texas Education Agency (TEA) and Health and Human Services Commission (HHSC). SHARS allow local school districts, including public charter schools, to obtain Medicaid reimbursement for certain health-related services documented in a student's Individualized Education Program (IEP).

Medicaid Administrative Claiming (MAC) - Independent School Districts (ISD)

The school-based Medicaid Administrative Claiming (MAC) program provides Texas school districts, including public charter schools, the opportunity to obtain reimbursement for certain costs related to health administrative activities that support the Medicaid program. In order for the cost to be allowable and reimbursable under Medicaid, the activities must be found to be necessary for the proper and efficient administration under the Texas Medicaid State Plan, and must adhere to applicable requirements as defined in State and Federal law.

Annual Cost Report

In accordance with Title 1 of the Texas Administrative Code (TAC), §355.8443(e), each School Health and Related Services (SHARS) provider is required to submit an annual cost report for all SHARS services delivered during the previous federal fiscal year covering October 1 through September 30.

The Centers for Medicare & Medicaid Services (CMS) changed its interpretation of the COF process. Effective 10/1/06, school districts must certify that the school district spent an amount equal to or greater than the Total Computable Expenditure (i.e., both the federal and state/local shares) for the service. The SHARS services are reimbursed only the federal share and the school district is required to provide the state/local match. Total computable expenditures must meet the definition of Medicaid-allowable costs. The Medicaid-allowable costs are direct payroll costs (i.e., salaries/wages, payroll taxes, employee benefits, and contracted compensation) for employees and contracted staff delivering SHARS.

The primary purpose of the cost report is to document the provider's costs for delivering SHARS services to reconcile the provider's interim payments received for SHARS services with its actual total Medicaid allowable costs.

Random Moment Time Study

A mandatory participation requirement is that the school district must participate in a time study which is used to determine the amount of time spent in providing SHARS and/or MAC services. The time study methodology approved by CMS for use in Texas is a Random Moment Time Study (RMTS).