

COMPREHENSIVE GUIDE TO SHARS BILLING - TEXAS - 2026

School Health and Related Services in Texas

**A practical guide to Texas
SHARS reimbursement.**

A practical, district-ready reference for program requirements,
covered services, documentation, claiming, and cost reporting.

 Last reviewed: September 2026



How SHARS Works in Texas

Texas districts provide health-related services to students as part of their educational programs. When a student and service meet Medicaid requirements, the district may receive federal Medicaid reimbursement for a portion of the cost through SHARS.¹

For most SHARS services, the student must:

- ✓ Be 20 years of age or younger
- ✓ Be currently eligible for Medicaid
- ✓ Be enrolled in a public school's special education program
- ✓ Have a disability or chronic medical condition
- ✓ Have an IEP documenting disability, medical necessity, and the needed services
- ✓ Have required parental consent before the district bills Medicaid for SHARS services^{1,2}

The school district must also be enrolled in Texas Medicaid as a SHARS provider.¹



ONE IMPORTANT EXCEPTION

Section 504 and Audiology

Texas now allows certain audiology evaluation and management services to be reimbursed for Medicaid-eligible students with a qualifying Section 504 plan.³

This is a limited exception. Section 504 plans are **not** a general billing pathway for other SHARS services.

What Services Can Be Reimbursed?

Texas identifies the following covered SHARS service categories.^{1,4}

● Audiology services

● Counseling

● Nursing services

● Occupational therapy

● Personal care services

● Physical therapy

● Physician services

● Psychological services & assessments

● Speech therapy

● Specialized transportation



Covered does not always mean reimbursable.

Whether a particular service can be claimed depends on the student, service, provider, medical necessity, documentation, and applicable prescription or referral requirements.

Use the current **Texas Medicaid Provider Procedures Manual (TMPPM)**, **SHARS Handbook** to verify requirements for a specific service.⁴

Before a SHARS Claim Is Submitted

A SHARS claim depends on more than Medicaid eligibility. The student, service, provider, and documentation requirements all need to line up.

- 1 Student Eligibility**
Confirm the student meets current SHARS eligibility requirements and was Medicaid eligible on the date of service.^{1,4}
- 2 IEP or Applicable Section 504 Documentation**
For most services, the student's current IEP must document the needed service. Certain audiology evaluation and management services may now qualify under an eligible student's Section 504 plan.^{1,3}
- 3 Parental Consent**
Obtain required parental consent before accessing a student's Medicaid benefits through SHARS claiming or applicable cost-report ratios.¹
- 4 Provider Qualifications**
The individual providing the service must meet the qualifications established for that SHARS service.⁴
- 5 Prescription or Referral**
When required for the service, the district must have the appropriate prescription or referral.⁴
- 6 Service Documentation**
Records must follow the state 7-day documentation requirements and support the service that was actually delivered and the Medicaid claim submitted.⁴

PARENTAL CONSENT

It's More Than an Interim Claim Requirement

HHSC has clarified that a district is considered to be accessing a student's Medicaid benefits when it either **submits interim SHARS claims** or **includes the Medicaid-enrolled student in applicable SHARS cost-report ratios**.²

If required written parental consent is not on file, the district cannot submit interim claims for that student or include the student in the numerator of applicable cost-report ratios until consent is obtained.²

For districts, that means:

- ✓ Consent records should be easy to locate.
- ✓ Staff should understand when consent is required.
- ✓ Claiming and cost reporting should use consistent consent information.
- ✓ Missing consent can affect reimbursement beyond a single claim.

Prescriptions, Referrals, and Provider Qualifications

Texas establishes requirements by **service type** for provider qualifications and prescriptions or referrals. Requirements are not identical across every SHARS service.⁴

Districts should verify:

- Who is qualified to provide the service
- Whether a prescription or referral is required
- Who may issue the prescription or referral
- Whether ordering, referring, or prescribing provider requirements have been met
- What supporting documentation must be maintained

Why this matters

A student can be Medicaid eligible and a service can be covered under SHARS, but the claim must still meet the requirements that apply to that specific service.

Verify current credential and referral rules against the applicable TMPPM section for each service, rather than relying on a single fixed checklist. State requirements change over time.

Documentation: The IEP Is Only Part of the Record

Educational documentation and Medicaid documentation serve different purposes.

The IEP establishes the services a student requires as part of the student's educational program. SHARS reimbursement also carries Medicaid documentation requirements.⁴ A district should be able to establish:

ELIGIBLE?

Was the student eligible?

AUTHORIZED?

Was the service authorized?

QUALIFIED?

Was the provider qualified?

DELIVERED?

Was the service delivered?

SUPPORTED?

Does the record support what was billed?

The goal is a clear record from the student's plan to service delivery to the Medicaid claim.



Reimbursement Doesn't End With the Claim

Texas SHARS includes several interconnected reimbursement and reporting processes.



RMTS: Participation Matters

The Random Moment Time Study is not an optional administrative exercise for participating districts.

HHSC has specifically warned districts that required RMTS training must be completed for participation, and it emphasizes maintaining evidence that supports participant-list accuracy and time-study activities.



Districts should know

- Who serves as the district's RMTS contact
- Which employees belong on the participant list
- Whether required training has been completed
- If moments are being completed
- What records support the district's participation

A SHARS Checkup for Your District

You don't need to wait for an audit or a denied cost report to take a closer look at your SHARS program. Walk through these questions with your team.

Participation

Are all eligible provider types documenting and participating?

Eligibility & Consent

Can we verify Medicaid eligibility and required parental consent?

Prescriptions & Referrals

Are required records current and easy to locate?

Documentation

Does the service documentation support what we submit to Medicaid?

Claims

Do we know which claims are denied, not submitted, or going unpaid?

Transportation

Are we capturing qualifying specialized transportation?

RMTS

Do we understand who participates and whether our list is accurate?

Cost Reporting

Does our cost report accurately represent the program and allowable costs?

Audit Readiness

Could we produce supporting documentation if HHSC requested it today?

Support From Your SHARS Vendor

Does your current SHARS vendor meet with you on a monthly basis to review claims and advise on billing requirements?

HOW RELAY HELPS

Support Across the Full SHARS Program

Relay is the Special Services Platform for K-12 districts. We help Texas districts connect the services they already provide with the documentation, claiming, and cost reporting SHARS reimbursement requires.



SIMPLIFY DOCUMENTATION

Documentation your providers actually use

Your SLPs, OTs, PTs, personal care staff, and nurses log a service in seconds, with student data, eligibility, and IEP details already filled in. The same log flows through supervision, approvals, and claiming with nothing re-typed.



GUIDE COMPLIANCE

A dedicated Texas Medicaid expert

Every district gets a dedicated SHARS expert who knows Texas rules and works as an extension of your team. TMPPM requirements live in the workflow and update when they change, and every claim ties back to a documented service, provider, and IEP or Section 504 plan.



MAXIMIZE REIMBURSEMENT

Capture more allowable reimbursement

See eligible students and billable services you haven't claimed, catch held services and missing logs before deadlines pass, and report reimbursement by program, period, and school, from interim claims through the annual cost report.

1,000+ districts and ESAs · 28 states · \$1 billion+ recovered in Medicaid reimbursement

Take a Closer Look at Your SHARS Program

You don't need an audit or a denied cost report to find out where reimbursement could be stronger. A short assessment shows what your district is already providing and what may be going unclaimed.

Our goal is simple: help you connect the services you provide with the documentation, claiming, and reporting SHARS reimbursement requires.

Request a SHARS program assessment

Start with a short conversation with a Texas Medicaid expert who knows the program.

[Request a SHARS Program Assessment →](#)

References

Sources current as of August 2026. Links open in a new tab.

- 1 **Texas Medicaid & Healthcare Partnership (TMHP).** *Texas Medicaid Provider Procedures Manual, Volume 2: School Health and Related Services (SHARS) Handbook*. September 2026. Texas Health and Human Services Commission. tmhp.com/.../2_18_SHARS.htm
- 2 **Texas Health and Human Services Commission.** "SHARS Parental Consent Requirements." Provider Finance Department. Guidance on parental consent for interim claiming and applicable cost-report ratios. pfd.hhs.texas.gov/.../2021-shars-parental-consent-req.pdf
- 3 **Texas Medicaid & Healthcare Partnership.** "CMS Has Approved State Plan Amendment for SHARS Audiology Services." March 6, 2026. Approved expansion of audiology evaluation and management services to eligible students with qualifying Section 504 plans. tmhp.com/news/2026-03-06-cms-has-approved-state-plan-amendment-shars-audiology-services
- 4 **Texas Medicaid & Healthcare Partnership.** *Texas Medicaid Provider Procedures Manual, Volume 2: SHARS Handbook*. Primary reference for service requirements, provider qualifications, documentation, billing, reimbursement, cost reporting, and RMTS. tmhp.com/resources/provider-manuals/tmppm
- 5 **Texas Medicaid & Healthcare Partnership.** "SHARS Benefits for Texas Medicaid Will Change October 1, 2025." August 15, 2025. Changes affecting SHARS benefits, including personal care and audiology services. tmhp.com/news/2025-08-15-shars-benefits-texas-medicaid-will-change-october-1-2025

Source Note

SHARS requirements can change. This guide was reviewed against Texas Medicaid guidance available as of September 2026 and is provided for general informational purposes, not as legal or financial advice. Districts should consult the current Texas Medicaid Provider Procedures Manual and applicable HHSC guidance when making billing or compliance decisions.