**Response to Public Comments**

**Medicaid Quality Assessment and Performance Improvement Programs, State Review of Accreditation Status, Medicaid Managed Care Quality Rating System, and Quality Strategy (QS) and**

**Supporting Regulations in §438.310, §438.320, §438.330, §438.332, §438.334, and §438.340**

**CMS-10553, OMB 0938-NEW**

In our June 1, 2015, proposed rule (80 FR 31098) we solicited public comment on each of the Medicaid Managed Care Quality section and supporting regulation changes. PRA-related comments were received (see below for a summary of the comments along with our response). A PRA-related public comment was received with regard to our proposed requirements and burden estimates for the Quality Assessment and Performance Improvement Programs, Medicaid and CHIP Quality Rating System, and proposed Comprehensive Quality Strategy. CMS received no PRA-related comments related to §§438.310, 438.320, or 438.332.

We received comments that expressed concern that we had underestimated the burden associated with the proposed MMC QRS. While no specific alternative estimates were provided, we increased the hour estimates associated with this ICR to respond to commenters’ concerns. We have also made minor adjustments to hourly rates.

Comment: One commenter noted that the proposed changes to QAPI (§438.330) (along with the proposed changes to EQR and the proposed CQS) drove the new burden associated with the proposed quality revisions. The commenter believed that the cost estimates for these changes seemed understated, and that state might not be able to successfully bear this burden without consideration of a temporary enhanced match or other funding.

Response: While the commenter believed that the QAPI estimates were understated, it is not clear to us in what respect that is the case. We developed the estimates for QAPI based off of established estimates for MCOs and PIHPs for this topic. We note that these are estimates, and actual states practices and implementation may cause actual experience to be more, less, or the same as these estimates. Without clearer direction as to where our estimate is lacking, we decline to revise the QAPI burden estimates. We have considered the comments and are adopting the proposed provisions/estimates without change except for the minor adjustments to hourly rates.

CMS Action: Adopted the proposed provisions/estimates for QAPI (§438.330) without change except for the minor adjustments to hourly rates.

Comment: One commenter stated that the estimate for the creation of the MMC QRS was not realistic and was extremely understated. This commenter did not believe that the estimate adequately addressed the administrative burden for creating a rating system, and disagreed with the assumption that all of the data required for a MMC QRS is readily available in a useable format. Another commenter noted that a state ratings system will incur costs related to design, development, training, and implementation.

Response: CMS did not have experience on which to base the estimated burden for the MMC QRS. Therefore, we give deference to the commenters’ concerns, and we increased the estimated hours associated with each component of the MMC QRS burden in the final rule. We also note that this estimate takes into account the technical assistance available to states from CMS, both in the form of a CMS-developed MMC QRS available for adoption (and guidance, in the case of alternative QRS) and to support the development of alternative MMC QRS.

CMS Action: Increased the burden estimates in response to comment.

Comment: One commenter noted that the proposed Comprehensive Quality Strategy (along with the proposed changes to QAPI and EQR) drove the new burden associated with the proposed quality revisions. The commenter believed that the costs estimates for this proposal seemed understated, and that state might not be able to successfully bear this burden without consideration of a temporary enhanced match or other funding.

Response: We are withdrawing the proposed Part 431, Subpart I, but retaining the requirement for a managed care quality strategy, described in §438.340 of the final rule. With this change, we moved the burden associated with the proposed new Part 431, Subpart I to §438.340, where it largely replaced the burden associated with proposed §438.340. Given that we will not apply the Quality Strategy requirements to FFS delivery systems, we do not believe the burden is understated and decline to revise the estimate. However, our finalized burden estimates for §438.340 have been revised to reflect the finalized version of this section (which takes into account non-PRA-related comments), and minor adjustments to hourly rates.

CMS Action: Revised the burden estimate for the Medicaid managed care Quality Strategy to reflect the finalized version of this section (which takes into account non-PRA-related comments), and minor adjustments to hourly rates.