

**Justification for a Non-substantive Change
Quarterly Medicaid and CHIP Budget and Expenditure Reporting for the
Medical Assistance Program, Administration and CHIP
CMS-10529 (OMB 0938-1265)**

This October 2023 iteration is associated with non-substantive changes that are identified below. As explained under Approval Timeframe, we request OMB approval by December 1, 2023.

Summary

CMS requests OMB’s approval of a routine non-substantive change to add a new line to the Form CMS-37.9 and the Form CMS-64.10 series of forms. The new reporting line is needed to ensure that the territories can receive accurate funding and for CMS to have appropriate oversight of the new reporting for the new legislative requirements.

The added reporting line will only be available to the four smaller territories, American Samoa (AS), Guam (GU), Northern Mariana Islands (CNMI), and the Virgin Islands (VI). The new line is being added to implement the requirements of section 5101 of the Consolidated Appropriations Act, 2023 (CAA 2023) which require that CMS ensure the equitable distribution of funds to the four territories and ensure that they do not exceed the amount of funding authorized in the legislation. This new line is only provided to separate this new funding in both reporting forms. It will require minimal action from territories to select the new reporting line from those forms and input the quarterly amount to budget and claim the federal share of expenditures. In this regard the added line does not impose any measurable per response burden beyond what is active and currently approved by OMB.

The active Supporting Statement is attached without change. The same for the active reporting instruments that have no changes.

Legal Basis

The added line is necessary for accurate reporting, transparency, and oversight of territories Medicaid and CHIP expenditures authorized through the implementation of section 5101 of the CAA 2023.

Under section 5101 of the CAA 2023, beginning October 1, 2023, AS, GU, CNMI, and VI will be awarded an equitable portion of \$20 million dollars appropriated in legislation to use to improve their Medicaid data systems. CMS will match the federal share at 100% for these expenditures. There is no time limit in legislation to spend the designated appropriation.

Non-substantive Change

Implementation of section 5101 of CAA 2023 requires a new line item. **Line 31 “CAA 2023 Section 5101”**, will be added to the Form CMS-37.9 and Form CMS-64.10 ADM series of forms. The line is currently available in MACFin for entry for the quarter beginning October 1, 2023, and will be available in MBES for entry beginning with the quarter ending on December

31, 2023 (October 1, 2023, thru December 31, 2023, reporting period) for territories that have been approved to receive an appropriation under this legislation.

The line is necessary for accurate reporting, transparency, and oversight of territories' Medicaid and CHIP expenditures matched at the 100% Federal Matching Rate.

Approval Timeframe

CMS recently approved and shared with each territory their equitable portion of the \$20 million dollars and at least one territory indicated interest in obtaining the funding for the first quarter of FY 2024. No territory has requested the funding, but we expect that each remaining territory will be requesting funding with the intent to use the funding in the first quarter of FFY 2024. Therefore, we are requesting an approval by December 1, 2023. This will allow CMS time to provide funding prior to the end of the quarter.

Territories currently have the option to request the funding on the new line on the Form CMS-37.9 in MACFin. Territories will have the option to start reporting on the new line on the Form CMS-94.10 in MBES effective with the quarter ending on December 31, 2023 (October 1, 2023, thru December 31, 2023, reporting period) with expenditures due to CMS by January 31, 2024.

Most states and territories start reporting in the last month of the quarter, but all states and territories must submit the Form CMS-64 report during the 30 days following the end of the quarter. Therefore, we are requesting OMB approval for the new line by December 1, 2023, but no later than December 31, 2023.

Securing OMB's approval by December 1, 2023, would allow territories to request funding for the quarter and allow states and territories to continue with early reporting. Since federal regulations require that states and territories must submit the Form CMS-64 report to CMS within 30 days of the end of the quarter, the new line must be approved by December 31, 2023.