

**CMS-372 (OMB 0938-0272) Annual Report for 1915(c) Waivers
Paper Reduction Act (PRA)
Response to Public Comments**

Executive Summary

The Centers for Medicare and Medicaid Services (CMS) has considered public comments received for the CMS-372 Annual Report (372 report). Based on those comments, CMS has decided to implement the automated updates to the 372 report in WMS, but only require states to provide information on their deficient performance measures (currently less than 86%) until June 30, 2026. States will have the option to report on all performance measures. If states just report on deficient performance measures in the 372 report, they will continue to be required to provide data for all performance measures during the once-per-waiver cycle quality review at which time three years' worth of data are needed. Beginning July 1, 2026, states will be required to report on all applicable performance measures in the 372 report.

One comment was received in the form of a joint letter from the National Association of State Directors of Developmental Disabilities Services (NASDDDS) and ADvancing States. The associations support the revisions to the quality section of the online 372 report form and indicated a belief that these changes will result in more efficient reporting processes and earlier detection of deficiencies so timely action can be taken. However, they emphasize that implementation of the proposed reporting requirements and processes will require process and procedure changes for many states. The associations request CMS allow states sufficient time to begin implementation of the new reporting requirements and recommend CMS provide training to states regarding these changes, as well as technical assistance where needed.

Public Notice Comments and CMS Responses

The following is a more detailed summary of the public comment and CMS's response.

Comment: NASDDDS and ADvancing States believe the annual 372 report changes listed below will result in more efficient reporting processes and will allow earlier detection of deficiencies so timely action can be taken. The updated online 372 report will:

- Require states to provide data for each performance measure on an annual basis
- Allow states to report on separate waiver years for the financial data versus quality information
- Prepopulate the 372 report's quality section in WMS with information from the applicable section of the approved 1915(c) waiver, to include specific performance measures, frequency of data collection, aggregation and analysis, and the specified sampling approach

However, the associations emphasize that implementation of the proposed reporting requirements and processes will require process and procedure changes for many states. The associations request that CMS allow states sufficient time to begin implementation of the new reporting requirements. They also recommend CMS provide training to states regarding these changes as well as technical assistance where needed.

CMS Response: Presently states are required to report all deficient performance measures in the quality section of the online 372 report in the Waiver Management System (WMS). Automated updates to the quality section are anticipated to be released in early 2025. With this release, states will have an efficient way to report on all performance measures even if they aren't deficient.

Prior to the release, CMS plans to provide training to states during an all-state call and to post video instructions on the WMS home page. Additionally, CMS will be available to provide technical assistance to states as needed. CMS agrees with the associations that some states may need additional time to update their policies and procedures for completing the 372 report.

Actions Taken: No changes have been made to the required documents for this release. CMS will implement the automated updates to the 372 report in WMS as indicated. However, CMS will not require states to report on all quality performance measures until June 30, 2026. Until then, states must continue to report the deficient measures but will have the option to report on all performance measures in the 372 report. If states only report on deficient performance measures, they will continue to be required to provide data for all performance measures during the once-per-waiver cycle quality review at which time three years' worth of data is required. Beginning July 1, 2026, states will be required to report on all performance measures in the 372 report.