# CMS Response to R-305 Public Comments

## Introduction

CMS received 13 public comments on the updated 2026 External Quality Review (EQR) Protocols, including 4 comments from a state, 1 from a member of the public, and 8 from an external quality review organization (EQRO). Most comments requested clarification on new or existing regulations related to the validation of performance improvement projects (PIP) or performance measures, reporting requirements (including content and review timelines), and the new optional activity related to evaluating quality strategies.

CMS thanks the commenters for the time and effort devoted to providing thoughtful feedback. In response, CMS incorporated updates across multiple sections of the Protocols to provide additional guidance. A summary of each comment and CMS's response is provided below.

## Responses to Comments

**Comment 1:** The commenter asked CMS to clarify the timeline for activities that must be included in the state's EQR annual technical report (ATR).

> **CMS Response:** Thank you for your comment. CMS recognizes the need to provide more detail on the two distinct timeline-related requirements for EQR activities: (1) period during which the EQR activity was conducted, and (2) the period represented by the data.
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> **Action Taken:** To address this comment, CMS updated the Protocols to include additional detail and examples of each timeline-related requirement. Specifically, CMS added an exhibit to the Introduction section describing the two requirements and provided examples of each. CMS also added footnotes in the Background sections of Protocols 1, 2, and 4 to further clarify these two timeframes. CMS did not revise the burden estimates as a result of these updates.

**Comment 2:** The commenter asked CMS to clarify which quantitative assessments should be reported in the state's ATR for the compliance review activity.

> **CMS Response:** Thank you for your comment. CMS recognizes the need to clarify that quantitative assessments are not required for the mandatory compliance review activity.
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> **Action Taken:** To address this comment, CMS has updated the Protocols to remove references from Table 3 in the Introduction that suggested quantitative assessments are required for all mandatory activities. CMS also revised an existing exhibit in the Introduction indicating that quantitative analyses are optional for compliance reviews. Additionally, CMS added new exhibits in Protocols 2, 3, and 4 describing how data from quantitative assessments may be used for performance measure monitoring, network adequacy validation, and compliance review. CMS did not revise the burden estimates as a result of these updates.

**Comment 3:** The commenter asked CMS to clarify if states will be able to use the ATR as the reporting method for the three-year evaluation of the managed care quality strategy (QS).

**CMS Response:** Thank you for your comment. CMS recognizes the need to address how EQR and QS-related reporting requirements may be aligned.

**Action Taken:** To address this comment, CMS updated the Protocols to include additional guidance on QS evaluation report requirements in an existing exhibit in Protocol 11. Specifically, CMS indicated that states may meet evaluation requirements by including QS evaluation findings in the ATR or by issuing a stand-alone QS evaluation report. CMS did not revise the burden estimates as a result of these updates.

**Comment 4:** The commenter asked CMS to clarify the frequency with which states must conduct QS evaluations.

**CMS Response:** Thank you for your comment. CMS recognizes the need to address the timing of QS reporting requirements.

**Action Taken:** To address this comment, CMS updated the Protocols to include additional guidance on the QS evaluation timeline and frequency in an existing exhibit in Protocol 11. Specifically, CMS clarified that states must evaluate the QS at least once every three years but may conduct evaluations more frequently at their discretion. CMS did not revise the burden estimates as a result of these updates.

**Comment 5:** The commenter asked CMS to provide guidance on aligning EQR Annual Technical Report (ATR) reporting requirements with Managed Care Program Annual Report (MCPAR) and Network Adequacy and Access Assurances Report (NAAAR) to reduce duplication and improve efficiency in reporting network adequacy and quality measure data.

**CMS Response:** Thank you for your comment. CMS agrees there are potential opportunities to streamline performance measure and network adequacy data reporting. CMS shares the goal of minimizing reporting burden to maximize efficiency. In our written EQR feedback, we advise states that if information for the ATR is available in another document, then the state's ATR may reference and link to the secondary document as long as that link remains accessible for the required five-year ATR posting period, per 42 CFR § 438.364(c)(2)(i) and (iii), and § 457.1250(a). CMS is considering opportunities to minimize potential duplication across EQR ATR, MCPAR, and NAAAR. Together these reports are intended to provide a comprehensive picture of a state's managed care program, but each report is subject to different federal requirements. For example, the ATR must include validated information associated with mandatory EQR activities (e.g., network adequacy, performance measurement) per 42 CFR §§ 438.364(a)(2) and 438.364(a)(2)(iii). However, to support the provision of timely data, MCPAR and NAAAR do not require data validation. These differences mean that MCPAR and NAAAR data do not necessarily meet EQR requirements. Guidance on potentially leveraging the MCPAR or NAAAR for the ATR is beyond the scope of the Protocols.

**Action Taken:** To address this comment, CMS updated Table 3 in the Introduction of the Protocols to include the language above about referencing data available in another publicly available document. We are considering options for stand-alone guidance and will consider related edits in a future protocol update. CMS did not revise the burden estimates as a result of this update.

**Comment 6:** The commenter noted that current requirements will yield a high volume of required PIP details and that the required reporting elements are not outcomes-based. The commenter proposed that the ATR only includes additional reporting details for PIPs that are completed and validated in the year reported in the ATR.

**CMS Response:** Thank you for your comment. CMS understands that EQROs may be reviewing a high volume of concurrent PIPs and recognizes the need for guidance on streamlining reporting in the ATR.

**Action Taken:** To address this comment, CMS updated the Protocols to include suggestions for streamlining reporting. Specifically, CMS added a new exhibit in Protocol 1 with considerations for reporting EQR findings for states with a high volume of PIPs to prioritize sharing validation findings and progress toward improvement while maintaining compliance with federal reporting requirements. CMS did not revise the burden estimates as a result of these updates.

**Comment 7:** The commenter asked CMS to clarify expectations for verifying PIP findings, including the depth of analysis required for PIPs in different stages of completeness included in the ATR.

**CMS Response:** Thank you for your comment. CMS recognizes the need to address expectations for verifying PIP findings.

**Action Taken:** To address this comment, CMS updated the Protocols to include a new exhibit in Protocol 1. This exhibit clarifies that the verification of PIP findings is an optional PIP validation activity, but that the ATR must describe any validations findings if the optional activity is conducted. CMS did not revise the burden estimates as a result of these updates.

**Comment 8:** The commenter asked CMS to clarify expectations for the "EQRO Reflections" column of Worksheet 1.13.

**CMS Response:** Thank you for your comment. CMS recognizes the need to address the purpose of this column, which is intended to capture the EQRO's professional judgements and observations and is not a separate component of reporting.

**Action Taken:** To address this comment, CMS updated the Protocols to refer to "EQRO Comments" instead of "EQRO Reflections" in Worksheet 1.13 to promote consistent terminology across the Protocols and reduce confusion. Additionally, CMS added new language to the Introduction section providing guidance on drafting strong and actional

recommendations based on EQR findings. CMS did not revise the burden estimates as a result of these updates.

**Comment 9:** The commenter noted that the EQRO conducts two compliance review activities for each MCP on staggered timelines.

**CMS Response:** Thank you for your comment. CMS agrees that this comment reflects current guidance.

**Action Taken:** CMS did not update the Protocols in response to this comment.

**Comment 10:** The commenter noted that EQROs generate a high volume of recommendations and asked CMS to consider requesting a summary of recommendations that represent common areas for improvement.

**CMS Response:** Thank you for your comment. CMS recognizes the volume of EQR recommendations that may be generated through EQR activities and the importance of presenting recommendations in a clear and actionable manner.

**Action Taken:** To address this comment, CMS updated the Protocols to include guidance in the Introduction section on how EQROs develop strong and actionable recommendations. CMS did not revise the burden estimates as a result of these updates.

**Comment 11:** The commenter asked CMS to clarify the requirements for validating performance measures that require medical record review.

**CMS Response:** Thank you for your comment. CMS recognizes the need to address how EQROs should approach performance measures that require medical record review (hybrid measures) and were already audited by an NCQA-certified HEDIS Compliance Auditor.

**Action Taken:** To address this comment, CMS updated the Protocols to include additional guidance in Protocol 2 about validation requirements for performance measures that require medical record review. CMS did not revise the burden estimates as a result of these updates.

**Comment 12:** The commenter asked CMS to clarify whether stratification expectations apply to Protocol 6 only, or more broadly to other Protocols.

**CMS Response:** Thank you for your comment. CMS recognizes the need to address expectations for stratified reporting in the ATR.

**Action Taken:** To address this comment, CMS updated the Protocols to specify that stratified reporting is optional for Protocol 6 unless otherwise required under separate regulatory authorities. Additionally, CMS added a footnote to Protocol 10 to indicate that states should refer to the Medicaid and CHIP Quality Rating System (MAC QRS) Technical Resource Manual and related CMS guidance for current and future MAC QRS stratification requirements. CMS has not revise the burden estimates as a result of these updates.

**Comment 13:** The commenter suggested that CMS consider a risk-stratified compliance review framework to account for minimal variation in compliance findings and underlying program structure.

**CMS Response:** Thank you for your comment. CMS recognizes the need to address expectations for the frequency and scope of compliance reviews.

**Action Taken:** To address this comment, CMS updated the Protocols to include additional information on the frequency and scope of EQR compliance reviews. Specifically, CMS added an exhibit to the Background section of Protocol 3 that identifies flexibilities within the rolling three-year review cycle. CMS did not revise the burden estimates as a result of these updates.