Institute for Child Health Policy
External Quality Review Organization

1889 Museum Road
PO Box 100147
Gainesville, FL 32610
352-627-9467

February 20, 2026

Re: Response to CMS-R-305, External Quality Review (EQR) of Medicaid and Children's Health Insurance Program (CHIP) Managed Care, EQR Protocols, and Supporting Regulations

Centers for Medicare & Medicaid Services Review Committee:

Thank you for the opportunity to review and provide comments on the proposed updates to the External Quality Review (EQR) protocols and supporting regulations for Medicaid and Children's Health Insurance Program (CHIP) managed care. As the Texas External Quality Review Organization (EQRO), the Institute for Child Health Policy has carefully reviewed the proposed changes and respectfully submits the following comments for your consideration.

In Texas, the Medicaid and CHIP managed care delivery system includes 16 managed care plans (MCPs) and 3 dental maintenance organizations (DMOs). Among the MCOs, services are administered across five lines of business: STAR, STAR+PLUS, STAR Kids, STAR Health, and CHIP. The DMOs operate across two lines of business: Medicaid and CHIP.

We appreciate CMS's continued commitment to strengthening quality oversight and transparency. Our comments are intended to ensure that new requirements meaningfully enhance quality improvement while remaining administratively feasible and focused on outcomes.

Protocol 1
The State requires the MCPs to implement two-year Performance Improvement Projects (PIPs) and maintain two concurrent PIPs per line of business. Start dates for the PIPs are staggered so that each MCP initiates one PIP per line of business per year. For each PIP, the MCPs submit four PIP reports: 1) PIP Plan – pre-implementation; 2) Progress Report 1 – mid-Year 1; 3) Progress Report 2 – mid-Year 2; and 4) Final PIP Report – post- implementation. Under current requirements, the EQRO includes in the Annual Technical Report (ATR) a total of 54 PIP Plans, 54 PIP Progress Report 1 submissions, 54 Progress Report 2 submissions, and 54 Final PIP Reports annually.

1. The proposed revisions to Protocol 1 request additional reporting requirements to include the EQRO reporting new information, such as EQRO recommendations, MCP interventions, target and reach data, etc., on all PIPs reported in the annual ATR. For Texas, this entails over 150 PIPs. Due to the volume of PIPs implemented in Texas, the new requirements would mean that for PIPs ongoing or validated in SFY2025, the EQRO would have to report 1,230 EQRO recommendations across PIP deliverables, 156 PIP aims, 156 target populations, 550 performance measure rates, 2,688 process measure figures, and 131 results of statistical analyses in addition to what is presently reported in the ATR based on current

reporting requirements. However, much of this reporting for ongoing PIPs is not outcomes-based; for example, recommendations that the EQRO provided on the PIP Plan would be incorporated by the next PIP report. Reporting recommendations, performance measure rates, and process measures (which all may change over the course of implementation) would not provide a clear picture of the eventual outcomes of ongoing PIPs.

As an alternative, we suggest the ATR include PIP aims, target populations, performance measures, results of statistical analysis, process measures only for PIPs that are completed and validated in the year reported in the ATR (i.e., do not report this information for PIPs that are ongoing).

2. The EQRO requests clarification regarding CMS' expectations for Protocol 1 validation activities. Specifically, should the EQRO validate all MCP-reported process measures, such as intervention target and reach data, prior to inclusion in the ATR. If so, this would require a substantial amount of work for the EQRO considering the number of PIPs and corresponding interventions implemented in Texas. The EQRO further requests that CMS clarify whether it wants this level of validation applied to all PIPs reported in the ATR (including those still in progress) or only for completed PIPs. If for all PIPs, then the EQRO maintains the position outlined in comment 1 that the results do not justify the amount of work required to conduct this evaluation since multiple aspects of the PIPs change throughout implementation.

   As an alternative, we suggest that instead of reporting on process measures for all interventions, the EQRO reports the results of its evaluation for that component and the evaluation criteria (i.e. reach at less than 50% for half of interventions is Partial, reach at less than 10% for half of interventions is No). We would like to note that MCPs may lose points in our evaluation for inaccurate report.

3. The EQRO requests clarification on whether it is CMS' expectation that the EQRO reports "EQRO Reflections" (such as potential for broader application of interventions) for every PIP, or if the EQRO and the state can determine which PIPs to report this information based on which PIPs are most likely to provide meaningful insights. The EQRO's ability to draw meaningful conclusions from a PIP is based on several factors, and for certain PIPs could be limited by MCP reporting or noncompliance with previous recommendations. Even if this information is only required for select PIPs, this analysis would require substantial additional work.

   As an alternative, we suggest that CMS allow the State and the EQRO to select specific completed PIPs on which to report the EQRO's reflections. The selected PIPs will be determined based on validation status and topic area determined by the State and the EQRO.

Additionally, the EQRO conducts two compliance review activities for each MCP. One activity, which assesses compliance with the majority of the regulations, is conducted on a three-year rolling basis and a second activity, primarily focused on quality assessment and performance improvement (QAPI) regulations, is conducted on an annual basis for all 19 MCPs. For Protocol 3, the EQRO reports results for the first compliance activity for four to seven MCPs each year and results for the second compliance activity for 19 MPCs each year.

Protocols 1 and 3

The following comment is made in regard to the requirements for reporting recommendations for PIPs in Protocol 1 and compliance review activities conducted for Protocol 3.

The EQRO makes MCP-specific recommendations for all evaluation components in which the MCP did not fully meet established evaluation criteria. As noted above, this approach generates a substantial volume of recommendations per MCP across evaluation activities. Currently, the EQRO includes in the ATR a consolidated summary of the most common recommendations, which provides an overview of areas where MCPs should strengthen PIP implementation and improve compliance with federal and staterequirements. Reporting all recommendations on the PIPs and compliance review activities will substantially increase the content of the ATR without adding information on the quality and impact of MCP performance.

> As an alternative, we suggest that CMS allow the EQRO to provide a summary of recommendations that represent common areas for improvement across PIPs, compliance review activities. For example, the EQRO will set a threshold (e.g., if greater than 30% of PIPs lose points in a component or if average component score is less than 80%) to determine "common" areas for improvement to be included in the summary of recommendations.

Protocol 2
We request clarification on a new requirements that is added to Protocol 2: Activity 2: Step 4

"*For performance measures requiring medical record review, the EQRO should validate the results of the medical record review for 30 enrollees who met the numerator requirements for at least two measures. For more information, refer to Activity 1, Step 4*."

For Texas, the EQRO calculates all administrative rates for the MCPs. The MCPs submit hybrid rates that undergo audit by an NCQA-certified HEDIS Compliance Auditor prior to submission, accompanied by formal audit attestations confirming compliance with HEDIS technical specifications and reporting standards.

We are requesting clarification on the rationale for an additional validation step, as this may introduce redundancy, potential discrepancies, and conflicting findings. In previous discussions with NCQA, we were advised against revalidating results that have already undergone certified audit review. While we carefully review the auditor attestations and supporting documentation, we would appreciate further clarification regarding what the expected validation process entails in this context.

Protocol 6
The updated 2026 EQR Protocols indicate that, to better monitor differences in access, quality, and outcomes, states may consider stratifying performance measures by demographic characteristics such as age, race, ethnicity, sex, geography, primary language, disability status, or other relevant factors.

Protocol 6 modernization aligns conceptually with broader quality and equity priorities established by the CMS. However, we would like to request clarification on whether these stratification expectations apply directly to Protocol 6 (Administration or Validation of QoC Surveys), or whether they are primarily required under other regulatory frameworks, such as the MAC QRS under Protocol 10 and Core Set reporting requirements.

As a broader policy consideration, compliance findings and underlying program structures demonstrate minimal variation year over year in the absence of material regulatory, contractual, or operational changes. Given this stability, CMS may wish to consider a risk-stratified compliance review framework.
Under such an approach, full-scope compliance reviews could be conducted on a biennial basis for states and MCPs with sustained compliance and no material findings, while interim years would focus on targeted, risk-based, or thematic reviews. Annual reporting requirements would remain in place, thereby preserving

transparency and federal oversight, while reducing administrative burden and allowing oversight resources to be more strategically deployed.