Supporting Statement – Part A
Medicaid Managed Care Quality including Supporting Regulations
CMS-10553, OMB 0938-1281

Supporting regulations can be found at: §§438.310, 438.330, 438.332,438.340, and 438 Subpart G

Notes: The contents of this Supporting Statement and the associated attachments have been reviewed to ensure that they are consistent with the Trump administration's policies, goals, and objectives.

This is a revised collection of information request that is being submitted to OMB for a three-year extension of the 0938-1281 control number.

Background

This 2026 information collection request adds two optional implementation tools related to the Medicaid and CHIP Quality Rating System (MAC QRS): (1) an alternative QRS methodology request template; and (2) a MAC QRS methodology implementation extension request template. It also adds Additional State Managed Care Plan Landscape Tables as Appendix A.

This iteration also proposes to update burden estimates for states that choose to use these tools to reflect the most accurate, current, and applicable MAC QRS regulations in alignment with the May 10, 2024, managed care final rule (CMS-2439-F; RIN 0938-AU99).

Overall, this iteration increases our active burden estimates by 516,408 responses, 2,053 hours, and $1,751,646. See section 15 of this Supporting Statement for a more complete discussion of these updates.

A. Justification

1. Need and Legal Basis (Social Security Act)

Section 1932(c)(1) requires states to develop and implement quality assessment and improvement strategies for their managed care arrangements.

Section 1902(a)(4) requires such methods of administration as are found by the Secretary to be necessary for the proper and efficient operation of the plan.

Section 1902(a)(6) requires that the State agency will make such reports (e.g. state quality strategy effectiveness evaluation), in such form and containing such information, as the Secretary may from time to time require, and comply with such provisions as the Secretary may from time to time find necessary to assure the correctness and verification of such reports.

Section 1902(a)(19) requires safeguards as may be necessary to assure that eligibility for care and services under the plan will be determined, and such care and services will be provided, in a manner consistent with simplicity of administration and the best interests of the recipients.

2. Information Users

States develop quality strategies and quality strategy effectiveness evaluations. States use the information from these documents to help monitor and assess the performance of their Medicaid managed care programs. This information may assist states in comparing the outcomes of quality improvement efforts and can assist them in identifying future performance improvement subjects.

States engage with stakeholders when developing these documents and make the documents available for public comment. Medicaid beneficiaries and stakeholders use the information collected and reported to understand the state's quality improvement goals and objectives, and to understand how the state is measuring progress on its goals.

States must submit these documents to CMS for review. CMS uses this information as a part of its oversight of Medicaid programs.

Under final rule CMS-2439-F, beneficiaries are the main users of a state's Medicaid and CHIP Quality Rating System (QRS). Beneficiaries will use a state's QRS to compare plans on quality, benefits, and other plan performance indicators. States and other interested parties may also use state QRSs to learn information about plans available in a state. A state's QRS must include plan quality ratings. States must calculate these ratings using a methodology established by CMS or may request to implement an alternative methodology. To request an alternative methodology, states must submit information to CMS, which CMS will use to approve or deny the request. All states must implement a QRS no later than December 31, 2028, but may request an extension to delay implementation of certain QRS requirements until December 31, 2029. To request an implementation extension, states must submit information to CMS, which CMS will use to approve or deny the request.

3. Use of Information Technology

States will post on their Medicaid websites reviews of the accreditation status of all managed care plans, their managed care plan quality information under the Medicaid and CHIP Quality Rating System, and final state quality strategies including effectiveness evaluations of their strategies. This will ensure the public has electronic access to this information. States have discretion regarding their use of information technology for the public engagement process.

While there is discretion, we expect that states will generally submit their state quality strategies, applications for QRS alternative methodologies, and QRS methodology implementation extension requests to CMS for review via email. No signature, electronic or written, is required for these documents.

4. Duplication of Efforts

This information collection does not duplicate any other effort and the information cannot be obtained from any other source.

5. Small Businesses

Not applicable. We do not expect any impact on small businesses since plans must have 500 members.

6. Less Frequent Collection

States must review and revise the managed care state quality strategy at least once every three years. If this were to occur less frequently, progress on goals and the identification of new goals might not occur regularly, which would limit the utility of the strategy. The state quality strategy is a tool to help states drive quality improvement, and as such should not be allowed to stagnate.

States must at least annually post QRS quality ratings for each Managed Care Organization (MCO), Prepaid Inpatient Health Plan (PIHP), and Prepaid Ambulatory Health Plan (PAHP) for Medicaid managed care enrollees to use in making informed choices about their managed care plan. If this were to occur less frequently, enrollees would not have current quality information when choosing a health plan, either for the first time or during the annual open- enrollment period.

States may submit an application to use a new alternative QRS methodology or amend an existing alternative QRS at any time as long as it is no later than six months prior to when the state wishes to implement the alternative methodology. However, because the methodology is for calculating annual quality ratings, there would be no reason for a state to do this more often than on an annual basis. Further, this is an optional activity.

States that choose to request an extension to implement certain methodology requirements must do so by September 1, 2028. This is a one-year, one-time extension that states may choose to request.

7. Special Circumstances

There are no special circumstances. More specifically, this information collection does not do any of the following:

-Require respondents to report information to the agency more often than quarterly;
-Require respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it;
-Require respondents to submit more than an original and two copies of any document;
-Require respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years;
-Is connected with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study,
-Require the use of a statistical data classification that has not been reviewed and approved by OMB;
-Includes a pledge of confidentiality that is not supported by authority established in statue or regulation that is not supported by disclosure and data security policies that are consistent

with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or
-Require respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect die information's confidentiality to the extent permitted by law.

8. Federal Register/Outside Consultation

Our 60-day notice published in the Federal Register on May 20, 2026 (91 FR 29497). Comments were due on/by July 20, 2026, but none were received.

Our 30-day notice published in the Federal Register on September 2, 2026 (91 FR 56447). Comments must be received on/by October 2, 2026.

9. Payments/Gifts to Respondents

There are no payments/gifts to respondents.

10. Confidentiality

The information received by CMS is not confidential and its release would fall under the Freedom of Information Act. Additionally, states are required under these regulations to maintain the current state quality strategies on their websites, where they must also post the findings of the state quality strategy effectiveness evaluations conducted at least once every three years. The Quality Ratings System will be posted on state website (all info in QRS)

11. Sensitive Questions

There are no sensitive questions associated with this collection. Specifically, the collection does not solicit questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private.

12. Burden Estimates

This section describes the requirements and burden for the Medicaid Quality Assessment and Performance Improvement (QAPI) Programs, State Review of Accreditation Status, Medicaid Managed Care Quality Rating System (QRS), and State Quality Strategy (QS). We estimate 44 state government respondents.

12.1 Wage Data

States and the Private Sector: To derive average costs, we used data from the U.S. Bureau of Labor Statistics' May 2025 National Occupational Employment and Wage Estimates for all salary estimates (http://www.bls.gov/oes/current/oes_nat.htm). In this regard, the following table presents BLS' mean hourly wage, our estimated cost of fringe benefits and other indirect costs (calculated at 100 percent of salary), and our adjusted hourly wage.

Occupation Title	Occupation Code	Mean Hourly Wage ($/hr)	Fringe Benefits and Other Indirect Costs ($/hr)	Adjusted Hourly Wage ($/hr)
Business Operations Specialist, All Other	13-1199	45.18	45.18	90.36
Database Administrator	15-1242	52.93	52.93	105.86
General and Operations Manager	11-1021	64.87	64.87	129.74
Medical Records Specialist	29-2072	27.30	27.30	54.60
Office Clerk, General	43-9061	22.32	22.32	44.64
Registered Nurse	29-1141	48.76	48.76	97.52
Software Developers	15-1250	67.24	67.24	134.48
Statistician	15-2041	55.63	55.63	111.26
Web Developer	15-1254	47.49	47.49	94.98

We are adjusting our employee hourly wage estimates by a factor of nearly 100 percent. This is necessarily a rough adjustment, both because fringe benefits and overhead costs vary significantly from employer to employer, and because methods of estimating these costs vary widely from study to study. Nonetheless, we believe that doubling the hourly wage to estimate total cost is a reasonably accurate estimation method.

Wages for Individuals. We believe that the cost for beneficiaries undertaking administrative and other tasks on their own time is a post-tax wage of $24.05/hr.

The Valuing Time in U.S. Department of Health and Human Services Regulatory Impact Analyses: Conceptual Framework and Best Practices[1] identifies the approach for valuing time when individuals undertake activities on their own time. To derive the costs for beneficiaries, we used a measurement of the usual weekly earnings of wage and salary workers of $1,159[2] for 2024 and then divided by 40 hours to calculate an hourly pre-tax wage rate of $28.98/hr. This rate is adjusted downwards by an estimate of the effective tax rate for median income households of about 17 percent or $4.93/hr ($28.98/hr x 0.17), resulting in the post-tax hourly wage rate of $24.05/hr ($28.98/hr - $4.93/hr). Unlike our State/Private Sector wage adjustments, we are not adjusting beneficiary wages for fringe benefits and other indirect costs since the individuals'

[1]https://aspe.hhs.gov/sites/default/files/migrated_legacy_files//176806/VOT.pdf.
[2]https://fred.stlouisfed.org/series/LEU0252881500A.

activities, if any, would occur outside the scope of their employment.

12.2 Collection of Information Requirements and Associated Burden Estimates

Section 438.330 Quality Assessment and Performance Improvement Program

Section 438.330(e)(1) requires the state to review the impact and effectiveness of each MCO's, PIHP's, PAHP's, and PCCM entity's QAPI at least annually. We estimate an annual state burden of 15 hr at $90.36/hr for a business operations specialist to assess the performance of a single MCO, PIHP, or PAHP. In aggregate, we estimate **9,435 hours** (629 MCOs, PIHPs and PAHPs, x 15 hr) and **$852.574** (9,435 hr x $90.36/hr) **(Estimate 12.12 (S)).**

Under §438.330(e)(1)(ii), states will include outcomes and trended results of each MCO's, PIHP's, and PAHP's PIPs in the state's annual review of QAPI programs. We estimate an annual state burden of 1 hr to conduct the additional annual review of the outcomes and trended results for each of the 629 MCOs, PIHPs, and PAHPs (467 MCOs, 161 PIHPs, 31 PAHPs). In aggregate, we estimate **629 hr** (629 MCOs, PIHPs, and PAHPs x 1 hr) and **$56,836** (629 hr x $90.36/hr) (**Estimate 12.14(S)).**

Section 438.330(e)(1)(iii) requires the state (in its annual review) to assess the results of any efforts to support state goals to promote community integration of beneficiaries using LTSS in place at the MCO, PIHP, or PAHP. We estimate an annual burden of 1 hr for the assessment of rebalancing efforts of each of the 113 MLTSS plans. In aggregate, we estimate **113 hr** (113 MLTSS plans x 1 hr) and **$10,211** (113 hr x $90.36/hr) for the assessment (**Estimate 12.16(S)).**

Section 438.330 has no impact Collection of Information requirements or burden requirements.

Section 438.332 State Review of the Accreditation Status of MCOs, PIHPs, and PAHPs

Under §438.332(a), states must confirm the accreditation status of contracted MCOs, PIHPs, and PAHPs once a year. We estimate an annual state burden of 0.25 hr at $90.36/hr for a business operations specialist to review the accreditation status of each of the estimated 629 MCOs, PIHPs, and PAHPs. In aggregate, we estimate an annual burden of **157 hr** (0.25 hr x 629 MCOs, PIHPs, and PAHPs) and **$14,209** (157 hr x $90.36/hr) (**Estimate 12.17(S)).**

There are no changes to §438.332 in the final rule.

Section 438.334 Medicaid Managed Care Quality Rating System.

Medicaid managed care quality rating system methodology

Under § 438.515(a)(1) the State will calculate and issue an annual quality ratings to each managed care plan. For Medicaid managed care, we assume 629 MCOs, PIHPs and PAHPs and 44 States to be subject to the mandatory QRS measure set collection and reporting provision.

We estimate reporting the QRS non-survey measures will take: 680 hours at $101.12/hr for a

computer programmer to program and synthesize the data; 212 hours at $90.36/hr for a business operations specialist to manage the data collection process; 232 hours at $44.64/hr for an office clerk to input the data; 300 hours at $97.52/hr for a registered nurse to review medical records for data collection; and 300 hours at $54.60/hr for medical records and health information analyst to compile and process medical records. For Medicaid, for one managed care entity we estimate an annual private sector burden of 1,724 hours (680 hr + 212 hr + 232 hr + 300 hr + 300 hr) at cost of $143,910 ([680 hr x $101.12/hr] + [212 hr x $90.36/hr] + [232 hr x $44.64/hr] + [300 hr x $97.52/hr] + [300 hr x $54.60/hr]).

We estimate that conducting the QRS survey measures comprised of the CAHPS survey would take: 20 hours at $90.36/hr for a business operations specialist to manage the data collection process; 40 hours at $44.64/hr for an office clerk to input the data; and 32 hours at $111.26/hr for a statistician to conduct data sampling. For one Medicaid managed care entity we estimate an annual private sector burden of 92 hours (20 hr + 40 hr + 32 hr) at cost of $7,153 ([20 hr x $90.36/hr] + [56 hr x $44.64/hr] + [32 hr x $111.26]).

For mandatory QRS non-survey and survey measures we estimate an annual private sector burden of 1,816 hours (1,724 hr +92 hr) at a cost of $151,063 ($143,910 + $7,153). In aggregate, for Medicaid, we estimate an annual private sector burden of **1,142,264** hours (629 Medicaid MCOs, PIHPs and PAHPs × 1,816 hours) and **$ 95,018,627** (629 Medicaid MCOs, PIHPs and PAHPs × $151,063). **(Estimate 12.32 (PS))**

In addition, the CAHPS survey measures a burden on Medicaid beneficiaries. Beneficiaries complete the survey via telephone or mail. Response rates vary slightly by survey population. We estimate it would take 20 minutes (0.33 hr) at $24.05/hr for a Medicaid or CHIP beneficiary to complete the CAHPS Health Plan Survey. For Medicaid, in aggregate, we estimate a new beneficiary burden of **170,623** hours (629 MCOs, PIHPs and PAHPs x 0.33 hr per survey response x 822 beneficiary responses) at a cost **$4,103,483** (170,623 hr x $24.05/hr). (**Estimate 12.33 (B))**

Additionally, amendments to § 438.515(a)(1)(i), reporting QRS measures would require States to update existing managed care contracts. We estimate it would take 1 hour at $90.36/hr for a business operations specialist and 30 minutes at $129.74/hr for a general operations manager to amend vendor contracts to reflect the new reporting requirements. In aggregate for Medicaid, we estimate a one-time State burden of **944** hours (629 MCOs, PIHPs, and PAHPs × 1.5 hours) at a cost of **$97,640** (629 contracts x [(1 hr × $90.36/hr) + (0.5 hr x $129.74/hr)]). As this would be a one-time requirement, we annualize our time and cost estimates to 315 hours and $32,547. The annualization divides our estimates by three (3) years to reflect OMB's likely approval period. We are annualizing the one-time burden estimates since we do not anticipate any additional burden after the 3-year approval period expires. (**Estimate 12.34 (S))**

Under § 438.515(a)(1)(ii) require States will collect data from Medicare and the State's fee-for-service providers, if all data necessary to issue an annual quality rating cannot be provided by the managed care plans and the data are available for collection by the State without undue burden. We expect a that subset of States would need to collect Medicare data or State Medicaid fee-for-service data to report the mandatory quality measures. We assume that plans have access to

Medicare data for their members and have included this burden in the cost of data collection described above. However, we assume Medicaid fee-for-service data would need to be provided and that this requirement would impact 5 States.

For a State to collect the fee-for-service data needed for QRS reporting, we expect it would take: 120 hours at $101.12/hr for a computer programmer to program and synthesize the data and 20 hours at $90.36/hr for a business operations specialist to manage the data collection process. In aggregate for Medicaid, we estimate an annual State burden of **700** hours (5 States x [120 hr + 20 hr]) at a cost of **$69,708** (5 states [(120 hr x $101.12/hr) + (20 hr x $90.36/hr)]). (**Estimate 12.35 (S))**

Amendments to §§ 438.515(a)(2) and 457.1240(d) require the QRS measure data to be validated. We estimate it would take 16 hours at $90.36/hr for a business operations specialist to review, analyze and validate measure data. In aggregate for Medicaid, we estimate an annual private sector burden of **10,064** hours (629 MCOs, PIHPs, PAHPs and PCCMs x 16 hr) at a cost of **$909,383** (10,064 hr x $90.36/hr). **(Estimate 12.36 (PS))**

Amendments to §§ 438.515(c) and 457.1240(d) allow the State to request to use an alternative methodology for calculating the MAC QRS mandatory measure set, so long as the methodology produces information about plan performance that is substantially comparable to the standard MAC QRS methodology described in 438.515(b)(1) and (2), The request must also include information or documentation to demonstrate compliance with quality rating system requirements, and supporting documents and evidence that the state believes demonstrates compliance with the requirements related to data sources (e.g., Medicaid FFS providers, Medicare data, etc.). We assume that the burden for implementing an alternative QRS will vary by state and will be lowest for states that submits a methodology currently used by the state in existing quality efforts and highest for states that submit a methodology developed specifically for the state's QRS that is not currently used by the state. For the purposes of this estimate, we assume a standard burden across all states. We assume that a small subset of states (11 States) will be interested in applying their own methodology for calculating quality ratings for MAC QRS mandatory measures, and therefore, will submit a request. We estimate it will take 400 hr at $90.36/hr for a business operations specialist, 200 hr at $134.48/hr for a computer programmer, and 60 hr at $129.74/hr for a general and operations manager. We estimate an additional 10 hr at $44.64/hr for an office and administrative support worker for the public engagement process and an additional 25 hr at $90.36/hr for a business operations specialist to review and incorporate public feedback. In aggregate, we estimate a one-time state burden of 6,950 hr (10 states x 695 hr) and **$735,298** [10 states x ((400 hr x $90.36/hr) + (200 hr x $134.48/hr) + (60 hr x $128/hr) + (10 hr x $44.64/hr) + (25 hr x $90.36/hr))], annualized to **2,317 hr** and **$245,099**, for the development of states' alternative Medicaid managed care quality rating system consistent with §438.334(c) **(Estimate 12.20 (S)).** We are annualizing the one-time development since we do not anticipate any additional burden after the 3-year approval period expires.

Amendments to §§ 438.515(d)(2) and 457.1240(d) allow the State to request a one-year extension on the implementation of certain methodology requirements outlined in § 438.515. The request must also include a detailed plan to implement the requirement(s) by the end of the extension including, but not limited to, the operational steps the State will take to address any

identified implementation barrier(s). We assume that a small subset of States (7 States) will be unable to meet the QRS methodology requirements, and therefore, will submit an extension request. We estimate it will take 24 hours at $129.74/hr for a general operations manager to draft and submit the extension request. In aggregate for Medicaid, we estimate an annual state burden of **168** hours (7 States x 24 hr) at a cost of **$21,796** (168 hr x $129.74/hr). **(Estimate 12.42(S))**

QRS Web site display

Under § 438.520(a) the State will post an up-to-date display on its website that provides information on available MCOs, PIHPs and PAHPs. The final rule outlines a phase-in approach to the QRS website display requirements; however, the burden estimate reflects the full implementation of the website. We recognize this may result is an overestimate during the initial phase of the website display but believe the estimate is representative of the longer-term burden associated with the QRS website display requirements.

To develop the initial display, we estimate it would take: 600 hours at $101.12/hr for a computer programmer to create and test code; 600 hours at $94.98/hr for a web developer to create the user interface; 80 hours at $90.36/hr for a business operations specialist to manage the display technical development process; and 450 hours at $105.86/hr for a database administer to establish the data structure and organization. For one State, we estimate a burden of 1,730 hours (600 hr + 600 hr + 80 hr + 450 hr) at a cost of $172,526 ([600 hr x $101.12/hr] + [600 hr x $94.98/hr] + [80 hr x $90.36/hr] + [450 hr x $105.86/hr]). In aggregate for Medicaid, we estimate a one-time State burden of **76,120** hours (44 States x 1,730 hr) at a cost of **$7,591,135** (44 States x $172,526). **(Estimate 12.37 (S))**

To maintain the QRS display annually, we estimate it would take: 384 hours at $101.12/hr for a computer programmer to modify and test code; 256 hours at $94.98/hr to update and maintain the user interface; 120 hours at $90.36/hr for a business operations specialist to manage the daily operations of the display; and 384 hours at $105.86/hr for a database administer to organize data. For one State, we estimate a burden of 1,144 hours (384 hr + 256 hr + 120 hr + 384 hr) at a cost of $114,638 ([384 hr x $101.12/hr] + [256 hr x $94.98/hr] + [120 hr x $90.36/hr] + [384 hr x $105.86/hr]). In aggregate for Medicaid, we estimate an annual State burden of **50,336** hours (1,144 hours x 44 States) at a cost of **$5,044,090** ($114,638 x 44 States). **(Estimate 12.38 (S))**

Under § 438.520(a)(2)(iv) the State QRS website must display quality ratings for mandatory measures which may be stratified by factors determined by CMS. We estimate it would take 24 hours at $101.12/hr for a computer programmer to develop code to stratify plan data. In aggregate for Medicaid (§ 438.520(a)(2)(iv)), we estimate an annual private sector burden of **15,096** hours (629 MCOs, PIHPs and PAHPs x 24 hr) at a cost of **$1,526,508** (15,096 hr x $101.12/hr). **(Estimate 12.39 (PS))**

Section 438.520(a)(3)(v) will require the QRS website display to include certain managed care plan performance metrics, as specified by CMS including the results of the secret shopper survey specified in § 438.68(f). The secret shopper survey is currently accounted for by OMB under control number 0938-0920 (CMS-10108). Plans would complete the secret shopper independent of the QRS requirements. To meet QRS requirements, States would enter data collected from the

secret shopper survey and display the results of the survey on the QRS. Since the burden for the secret shopper survey is accounted for under a separate control number, for the purposes of MAC QRS, we account for the incremental burden associated with meeting the QRS requirements. We estimate it would take 16 hours at $44.64/hr for an office clerk to enter the results from the secret shopper survey into the QRS. In aggregate for Medicaid § 438.520(a)(3)(v), we estimate an annual private sector burden of **10,064** hours (629 MCOs, PIHPs and PAHPs x 16 hr) at a cost of **$449,257** (10,064 hr x $44.64/hr). **(Estimate 12.40 (PS))**

Amendments to §§ 438.520(b)(1) and 457.1240(d) allow the State to request a one-year extension on the implementation of certain website display requirements outlined in § 438.520(a). The request must also include a detailed plan to implement the requirement(s) by the end of the extension including, but not limited to, the operational steps the State will take to address any identified implementation barrier(s). However, CMS is no longer requiring the display elements for which the extension was intended. Therefore, we are removing burden associated with requesting an extension for implementing these website display elements. We previously assumed that a small subset of States (11 States) would be unable to meet the website display requirements, and therefore, would submit an extension request. We estimated it would take 24 hours at $129.74/hr for a general operations manager to draft and submit the extension request. Therefore, alleviating this burden will result in an annual Medicaid state reduction of **minus 264 hours** (11 States x 24 hr) and **minus $34,251** (264 hr x $129.74/hr). (See **Estimate 12.43(S)** in section 15 of this 2026 Supporting Statement).

Annual Reporting

Under § 438.535(a) the State will submit a Medicaid managed care quality rating system report in a form and manner determined by CMS. We estimate it would take 24 hours at $90.36/hr for a business operations specialist to compile the required documentation to complete this report and attestation that the State is in compliance with QRS standards. In aggregate for Medicaid for § 438.535(a), we estimate an annual State burden of **1,056** hours (44 States x 24 hr) at a cost of **$95,420** (1,056 hr x $90.36/hr). **(Estimate 12.41 (S))**

Section 438.340 Managed Care State Quality Strategy

In accordance with §438.340(c)(2), states will review and revise their state quality strategies as needed, but no less frequently than once every 3 years. We estimate a burden for the revision of a state quality strategy to be, once every 3 years, 25 hr at $90.36/hr for a business operations analyst to review and revise the state quality strategy, 2 hr at $44.64/hr for an office and administrative support worker to publicize the state quality strategy, 5 hr at $90.36/hr for a business operations specialist to review and incorporate public comments, and 1 hr at $44.64/hr for an office and administrative support worker to submit the revised state quality strategy to CMS. In aggregate, we estimate an ongoing annual state burden of **484 hr** [(44 states x 33 hr) / 3 years] and **$41,732** [(44 states x ((30 hr x $90.36/hr) + (3 hr x $44.64/hr))) / 3 years] (**Estimate 12.25 (S)).**

Consistent with §438.340(c)(2), the review of the state quality strategy will include an effectiveness evaluation conducted within the previous 3 years. We estimate the burden of this

evaluation at 40 hr at $90.36/hr for a business operations specialist once every 3 years for all 44 states that contract with MCOs, PIHPs, PAHPs, and/or PCCM entities (described in §438.310(c)(2)). In aggregate, we estimate an ongoing burden of **587 hr** [(44 states x 40 hr) / 3 years] at a cost of **$53,011** (587 hr x $90.36/hr) (**Estimate 12.28 (S)).**

Section §438.340(c)(2)(ii) requires states to post the state quality strategy effectiveness evaluation to their Medicaid websites. We estimate that posting the state quality strategy effectiveness evaluation online will require 0.25 hr at $90.36/hr from a business operations specialist once every three years. In aggregate, we estimate an ongoing annual burden of **4 hr** [(44 states x 0.25 hr) / 3 years] and **$331** (4 hr x $90.36/hr) **(Estimate 12.29 (S)).**

Section 438.340(d) requires states to post the final state quality strategy to their Medicaid websites. We estimate that posting the final state quality strategy online will require 0.25 hr at $90.36/hr from a business operations specialist once every three years. In aggregate, we estimate an ongoing annual burden of **4 hr** [(44 states x 0.25 hr) / 3 years] and **$331** (4 hr x $90.36/hr) **(Estimate 12.31 (S)).**

Section 438.340 has no Collection of Information requirements or burden.

12.3 Summary of Burden Estimates

Summary of Annual Burden Estimates: States

Summary of Annual Burden Estimates: State (S)

Estimate #	CFR Section	# Respondents	Total # Responses	Time per response (hr)	Total Time (hr)	Labor Rate ($/hr)	Total cost ($)	Frequency	Response Type*	Annualized Time (hr)	Annualized costs ($)
12.12	438.330(e) Assess MCOs, PIHPs, PAHPs, and PCCM entities	44	629	15	9,435	90.36	852,574	annual	R	9,435	852,574
12.14	438.330(e)(1)(ii) State Review of Outcomes	44	629	1	629	90.36	56,836	annual	R	629	56,836
12.16	438.330(e)(1)(iii) State Assess LTSS	44	113	1	113	90.36	10,211	annual	R	113	10,211
12.17	438.332(a)	44	629	0.25	157	90.36	14,209	annual	R	157	14,209
12.20	438.515(c) Adopt an Alternative QRS	10	10	695	6,950	varies	735,298	One-time	R	2,317	245,099
12.25	438.340(c)(2) Revise QS	44	44	33	1,452	varies	125,196	triennial	R	484	41,732
12.28	438.340(c)(2) QS Effectiveness Evaluation	44	44	40	1,760	90.36	159,033	triennial	R	587	53,011
12.34	438.515(a)(1)(i) Update Existing Managed Care Contracts	44	629	1.5	944	varies	97,640	one-time	R	315	32,547
12.35	438.515(a)(1)(ii) Obtain Data from FFS and Medicare	5	5	140	700	varies	69,708	annual	R	700	69,708
12.37	438.520(a) QRS Website Display Development	44	44	1,730	76,120	varies	7,591,135	one time	R	25,373	3,145,545

12.38	438.520(a) QRS Website Display Maintenance	44	44	1144	50,336	varies	5,044,090	annual	R	50,336	5,044,090
12.41	438.535(a) QRS Report	44	44	24	1,056	90.36	95,420	annual	R	1,056	95,420
12.42	438.515 Methodology Extension req	7	7	24	168	129.74	21,796	annual	R	168	21,796
Subtotal: Reporting		*44*	*2,871*	*varies*	*149,820*	*varies*	*14,873,146*	*varies*	*R*	*91,670*	*9,682,778*
12.29	438.340(c)(2)(ii) Post QS Effectiveness Evaluation Online	44	44	0.25	11	90.36	993	triennial	TPD	4	331
12.31	438.340(d) Post Final QS Online	44	44	0.25	11	90.36	993	triennial	TPD	4	331
Subtotal: Third-Party Disclosure		*44*	*88*	*varies*	*22*	*varies*	*1,986*	*varies*	*TPD*	*8*	*662*
.TOTAL		**44**	**2,959**	**varies**	**149,842**	**varies**	**14,875,132**	**varies**	**varies**	**91,678**	**9,683,440**

*Response Type: R=reporting; TPD=third-party disclosure

Summary of Annual Burden Estimates: Private Sector (PS)

Estimate #	CFR Section	# Respondents	Total # Responses	Time per response (hr)	Total Time (hr)	Labor Rate ($/hr)	Total cost ($)	Frequency	Response Type*	Annualized Time (hr)	Annualized costs ($)
12.32	438.515(a)(1) QRS Survey and Non-Survey Measures	629	629	1,816	1,142,264	varies	95,018,627	annual	R	1,142,264	95,018,627
12.36	438.515(a)(2) and 457.1240(d) QRS Validation	629	629	16	10,064	106.08	909,383	annual	R	10,064	909,383
12.39	438.520(a)(2)(iv) QRS Website Stratification	629	629	24	15,096	140.44	1,526,508	annual	R	15,096	1,526,508

12.40	438.520(a)(3)(v) Secret Shopper Survey Data Entry	629	629	16	10,064	53.04	449,257	annual	R	10,064	449,257
TOTAL		**629**	**2,516**	**varies**	**1,177,488**	**varies**	**97,903,775**	**annual**	**varies**	**1,177,488**	**97,903,775**

*Response Type: R=reporting; TPD=third-party disclosure

Summary of Annual Burden Estimates: Beneficiaries (B)

Estimate #	CFR Section	# Respondents	Total # Responses	Time per response (hr)	Total Time (hr)	Labor Rate ($/hr)	Total cost ($)	Frequency	Response Type*	Annualized Time (hr)	Annualized costs ($)
12.33	438.515(a)(1) CAHPS Survey	629	517,038	0.33	170,623	24.05	4,103,483	annual	R	170,623	4,103,483
TOTAL		**629**	**517,038**	**0.33**	**170,623**	**24.05**	**4,103,483**	**annual**	**varies**	**170,623**	**4,103,483**

Total Burden: State, Private Sector, and Beneficiaries

State and Private Sector	# Respondents	Total # Responses	Total Time (hr)	Annualized Time (hr)	Total cost ($)	Annualized costs ($)
State	44	2,959	149,842	91,678	14,875,132	9,683,440
Private Sector	629	2,516	1,177,488	1,177,488	97,903,775	97,903,775
Beneficiaries	629	517,038	170,623	170,623	4,103,483	4,103,483
TOTAL	**1,302**	**522,513**	**1,497,953**	**1,439,789**	**116,882,390**	**111,690,698**

12.4 Information Collection Instruments and Guidance/Instruction Documents

This 2026 information collection request is associated with the development of two optional implementation tools related to the Medicaid and CHIP Quality Rating System (MAC QRS): (1) an alternative QRS methodology request template; and (2) a MAC QRS methodology implementation extension request template.

Alternative MAC QRS Methodology Request Template (New)
See Equation 12.20(S).

Implementation Extension Request Template A: Methodology (New)
See Equation 12.42(S).

Appendix A: Additional State Managed Care Plan Landscape Tables (New)
See Equations 12.20(S) and 12.42(S).

13. Capital Costs

There are no capital costs.

14. Cost to Federal Government

This collection involves both private sector (MCOs, PIHPs and PAHPs) and public sector (state government).

Total annualized private sector costs are $128,138,118. Consistent with the assumptions used for the private sector match rate in 42 CFR part 438, we assume that the private sector will pass along costs to states through their capitation rates and, applying the estimated weighted (for enrollment) Federal match rate of 58.44 percent. Therefore, the Federal share for annualized private sector costs is $74,883,916.

The public sector costs associated with these provisions are considered to be Medicaid administrative costs, and are therefore eligible for the 50 percent federal financial participation (FFP) matching rate. Therefore, of the estimated $11,035,731 total computable annualized state costs, the Federal share is $5,517,866.

Total annualized Federal share (private and public sector) is $80,401,782 ($74,883,916+ $5,517,866).

15. Changes to Burden

This 2026 information collection request also adds two optional implementation tools related to the Medicaid and CHIP Quality Rating System (MAC QRS): (1) an alternative QRS

methodology request template; and (2) a MAC QRS methodology implementation extension request template. It also adds Additional State Managed Care Plan Landscape Tables as Appendix A.

This iteration also proposes to update burden estimates for states that choose to use these tools to reflect the most accurate, current, and applicable MAC QRS regulations in alignment with the May 10, 2024, managed care final rule (CMS-2439-F; RIN 0938-AU99).

For the states, our currently approved response figure has decreased by (one) while our annualized time estimate has increased by 2,053 hours and our cost estimate has increased by $200,868. The increased cost estimate is associated with the added time and BLS' updated wages.

For the private sector, our currently approved burden estimates are corrected by removing the burden associated with Equation 12.33(PS) and reassigning the burden to beneficiaries in Equation 12.33(B). We have also adjusted the cost in association with BLS' updated wages.

Overall, this iteration increases our active burden estimates by 516,408 responses, 2,053 hours, and $1,751,646.

	CFR Section	# Respondents	Total # Responses	Total Time (hr)	Total cost ($)	Annualized Time (hr)	Annualized costs ($)
States							
12.20(S) for 2026	438.515(c) Adopt an Alternative QRS	n/a	+10	+6,950	+735,298	+2,317	+245,099
12.43(S) for 2026	438.520(b0(1) display extension req	n/a	(11)	(264)	(44,231)	(264)	(44,231)
Change :States		n/a	(1)	+6,686	+691,067	+2,053	+200,868
Private Sector							
12.33(PS) 2026 Correction	438.515(a)(1) CAHPS Survey	n/a	(629)	(170,623)	(5,077,740)	(170,623)	(5,077,740)
Correction: Private Sector		n/a	(629)	(170,623)	(5,077,740)	(170,623)	(5,077,740)
Beneficiaries							
12.33(B) 2026 Correction	438.515(a)(1) CAHPS Survey	+517,038	+517,038	+170,623	+4,103,483	+170,623	+4,103,483
Correction: Beneficiaries		+517,038	+517,038	+170,623	+4,103,483	+170,623	+4,103,483

TOTAL CHANGE	+517,038	+516,408	+6,686	(1,261,447)	+2,053	(1,751,646)

16. Publication/Tabulation Dates

States must at least annually make the accreditation status for each contracted MCO, PIHP, and PAHP available on the website required under §438.10(c)(3), including whether each MCO, PIHP, and PAHP has been accredited and, if applicable, the name of the accrediting entity, accreditation program, and accreditation level.

States must prominently display the annual quality rating given by the State to each MCO, PIHP, or PAHP on the website required under §438.10(c)(3). States must implement a quality rating system within 3 years of the date of a final notice published in the Federal Register.

States must post current state quality strategies, which include all of the elements required in §438.340(b) on their websites. CMS will maintain a list of hyperlinks to current state QS on Medicaid.gov. States are required to review and revise their QS at least once every three years; this process includes an effectiveness evaluation of the QS, the results of which must be published on the state's website. States must make the strategy available for public comment before submitting the strategy to CMS for review CMS will review QS submitted to the agency by states as a part of its normal oversight activities for the Medicaid program.

17. Expiration Date

We display the expiration date.

18. Certification Statement

There are no exceptions to the certification statement.

B. Collections of Information Employing Statistical Methods

This question is no longer applicable as the survey is no longer needed.