Justification for a Non-Substantive Change
Quarterly Medicaid and CHIP Budget and Expenditure Reporting for the Medical Assistance Program, Administration, and CHIP
(MACFin Forms CMS-37, CMS-21B, CMS-64, and CMS-21)
CMS-10529, OMB 0938-1265

Timeline

CMS's go-live date for transitioning Medicaid and CHIP quarterly budget and expenditure reporting from MBES/CBES to MACFin is December 7, 2026.

We request OMB's approval of this non-substantive change as soon as possible, and prefer approval by November 30, 2026.

What We Are Doing

Effective December 2026, CMS is replacing the Medicaid and CHIP Budget and Expenditure System (MBES/CBES) with the Medicaid and CHIP Financial System (MACFin) as the system of record for quarterly budget and expenditure reporting for the Medical Assistance Program (MAP), Administration, and the Children's Health Insurance Program (CHIP). MACFin is a web-based application that states and territories use to report the same budget estimates and expenditures they currently report through MBES/CBES: Form CMS-37 and Form CMS-21B for budget estimates, and Form CMS-64 and Form CMS-21 for expenditures. All four forms continue to be filed quarterly and certified by states and territories to CMS, exactly as they are today. The change affects all four forms the same way: it moves the reporting system, not the reporting requirements, the data collected, or the filing schedule.

Why Are We Doing It

This change provides greater transparency into data states already submit to CMS, whether through MBES/CBES or manually, and reduces state reporting burden by removing data collection elements that are no longer needed. MACFin further reduces burden by cutting manual data entry and minimizing manual input errors. States and territories can enter data directly or upload Treasury-cash expenditure data using standardized Excel templates, which lets MACFin create and populate most of the Forms CMS-64 and CMS-21 series automatically. States can also upload supporting documentation directly into MACFin as part of their submission, and MACFin validates all forms and alerts states to potential errors or missing data before submission.

MACFin also automates CMS's internal review process, which was previously performed manually. MACFin pre-populates review steps, drafts disallowance (DR) packages using standardized templates, links directly to submissions and supporting documentation, and provides preliminary data analytics — such as variance calculations — within each review step. It also notifies managers, reviewers, and grant analysts when a package is ready for review or when comments need to be addressed.

For states, the transition to MACFin will be seamless. CMS has been preparing states for this change, and many are already familiar with MACFin through earlier phases of the broader transition. The December 2026 go-live is the final and largest step in a process already underway, not a new or unfamiliar system.

Why This Is a Non-Substantive Change

This is a non-substantive change because it does not alter what states and territories are required to report, only how that information is submitted and processed. States continue to report the same budget and expenditure data on the same quarterly schedule, certified in the same way. MACFin was designed in collaboration with CMS's state partners to improve the submission experience, through direct data entry, standardized templates, automated form population, and built-in validation, rather than to introduce new data collection or new requirements. The change also reduces burden by removing data elements that are no longer needed, and the same automation applies to CMS's internal review workflow without affecting states' reporting obligations.

Burden Impact

These changes do not increase burden on states or territories. Forms CMS-37 and CMS-21B are unchanged. The new Medicaid CHIP (MCHIP) column on the Form CMS-64 Summary requires no additional burden, since states already report this data — it is simply reported in its own column instead of combined with MAP, and the majority of the entries will be system-generated from the Form CMS-64.21 and CMS-64.21U series. Adding the MC MLR and MC Financial Penalties columns to the Form CMS-64.9O and CMS-21.O series similarly imposes no new burden, since states already report these overpayments alongside other overpayments on those forms; removing the ARRA and BIPP columns reduces the forms further, as states no longer report under those programs. Consolidating the Form CMS-64.11A into the Form CMS-64.11 reduces burden, letting states report health care-related tax information on a single form instead of two. Discontinuing the Form CMS-21.11 and CMS-21.11A series has no impact on states, since they do not currently report on these forms, and it streamlines reporting going forward.

The one new reporting element is the "Net Patient Revenue" line being added to Form CMS-64.11, which is required to implement Section 71115 of the Working Families Tax Cut (WFTC) legislation. This is a new statutory reporting requirement, not a discretionary addition, and does not otherwise change the burden associated with the rest of the form.

Collection of Information Instruments

We are proposing the following changes to the Forms CMS-64 and CMS-21 series, effective as noted. All changes are available for entry beginning January 1, 2027, for all states and territories, except where otherwise noted.

Form	**Revision**
CMS-21.11	Removed
CMS-21.11A	Removed

CMS-21B	No Change
CMS-21.O (attached)	Adds new columns: MC MLR and MC Financial Penalties
CMS-37	No Change
CMS-64 Summary (attached)	Adds new column [available Q1 FY 2027]: Medicaid CHIP (MCHIP)
CMS-64.9O (attached)	Adds new columns: MC MLR and MC Financial Penalties
	Removes existing columns (effective October 1, 2026): ARRA and BIPP columns
CMS-64.11 (attached)	Combines by adding specific lines from Form CMS-64.11A
	Adds new line: "Net Patient Revenue"
CMS-64.11A	Removed (see CMS-64.11, above)