



On December 1, the Centers for Medicare & Medicaid Services (CMS) released State Health Official (SHO) letter [SHO#23-005](#), “Initial Core Set Mandatory Reporting Guidance” to define expectations and provide guidance for the mandatory reporting on the Child Core Set measures and behavioral health measures of the Adult Core Set. These requirements were established in the [Mandatory Medicaid and CHIP Core Set Reporting final rule](#) in August 2023 and were also authorized in previous legislation.

The letter explains that states can expect resources to be shared annually before the reporting system opens. These resources will include specifications, value sets, technical assistance (TA) briefs, and updates to the reporting system. These resources will also include attribution rules to define which program (Medicaid or CHIP) or type of service delivery (managed care or FFS) a state would count a child or adult who transitions from a program or change plans in the measurement year for calculating each required measure.

The final rule also finalized the policy that CMS will use annual sub-regulatory guidance to identify populations that are exempt from reporting. In FFY 2024 the exempt populations are:

- Beneficiaries who have another insurance as a primary payer and,
- Individuals whose Medicaid/CHIP coverage is limited to payment of a liable third-party coverage premiums and/or cost sharing.

States are permitted to submit a request for a one-year exemption if they find they are unable to report on a specific population for at least one measure. In the request, states must demonstrate a reasonable effort was made to acquire the data, detail why the exemption is necessary, and define the timeline of the actions planned to address the issue. If states require an exemption from FFY 2024, a letter must be submitted to CMS by September 1, 2024.

Beginning with FFY 2025, stratification will be introduced to a subset of measures. The number of measures required to stratify will increase in subsequent years in accordance with the schedule here:

- 2025 Core Sets - 25% of mandatory measures
- 2026 Core Sets - 50% of mandatory measures
- 2027 Core Sets - 50% of mandatory measures
- 2028 Core Sets - 100% of mandatory measures

The initial measures required for stratification are identified below. These measures were selected because they span from birth to adulthood, reflect high priority areas, and align with other quality programs such as the CMS Universal Foundation set. The initial stratification categories are race and ethnicity, biological sex, and geography. As standards and categories evolve, CMS will issue guidance on the reporting process and data collection standards.

<b>Child Core Set Measures for Stratification by 2025 Core Set Reporting</b> <i>7 measures</i>
Well-Child Visits in the First 30 Months of Life (W30-CH)
Child and Adolescent Well-Care Visits (WCV-CH)
Oral Evaluation, Dental Services (OEV-CH)
Follow-Up After Hospitalization for Mental Illness: Ages 6 to 17 (FUH-CH)
Prenatal and Postpartum Care: Up to Age 20 (PPC2-CH)
Live Births Weighing Less Than 2,500 Grams (LBW-CH) - CMS calculates on behalf of states
Low-Risk Cesarean Delivery (LRCD-CH) - CMS calculates on behalf of states
<b>Behavioral Health Measures on the Adult Core Set for Stratification in 2025</b> <i>3 measures</i>
Initiation and Engagement of Substance Use Disorder Treatment (IET-AD)
Follow-Up After Emergency Department Visit for Substance Use: Age 18 and Older (FUA-AD)
Follow-Up After Hospitalization for Mental Illness: Ages 18 and older (FUH-AD)

As part of this initiative, CMS is establishing a Medicaid Administrative SPA package that states must submit through the Medicaid and CHIP Program Portal to confirm compliance with the required reporting requirements. An equivalent CHIP SPA is not required. The timing of release was not specified, but CMS stated it would be released in time to give states adequate time to complete it before mandatory reporting. The SPA, and the initial round of mandatory measure reporting, must be submitted by December 31, 2024.