



State Health Official (SHO) Letter #25-003: FAQs for States

The Centers for Medicare & Medicaid Services (CMS) released the State Health Official (SHO) Letter #25-003, which updates agency guidance and streamlines Medicaid Enterprise Systems (MES) templates to improve monitoring and oversight to ensure fiscal integrity and to help states comply more efficiently with Federal requirements for Medicaid funding. This SHO Letter introduces new templates designed to standardize and simplify processes, facilitate more efficient state reviews, promote the reuse of materials, and enhance CMS oversight across all MES modules.

The following answers to frequently asked questions (FAQs) will help clarify the current guidance and the new templates.

General

When were the templates formally approved for use?

As of December 23, 2025, the MES templates have received approval under the Paperwork Reduction Act (PRA) from the Office of Management and Budget and are officially authorized for use by states.

What is the transition timeline for moving to the new templates?

CMS is providing a six-month transition period to support a smooth and manageable cutover. The transition period runs from January 1, 2026, to June 30, 2026.

Can states use the templates sooner than required?

States are encouraged to begin transitioning to the approved templates as soon as possible, with the expectation that as of July 1, 2026, no other templates should be in use (unless they receive prior approval from CMS).

Will there be leeway with the transition timeline?

If you experience difficulty with meeting the transition timeframe, reach out to your CMS MES State Officer as soon as possible for further technical assistance.

What sort of technical assistance will be available to states?

The Data & Systems Group (DSG) will engage with states at upcoming conferences (MESOC, etc.) and through quarterly virtual training sessions that will be offered in collaboration with the state technical advisory group (S-TAG) and Communities of Practice (CoP) CMS led sessions. As needed, CMS will provide individual state engagement. Please reach out to your MES State Officer if you would like to schedule an ad-hoc call with CMS.

Can states leverage the CMS MES templates for Food and Nutrition Service (FNS)-only projects or projects receiving joint funding from FNS and CMS?

The CMS MES templates are in alignment with our regulatory requirements (42 and 45 CFR), not FNS requirements (7 CFR § 277.18). Generally, meeting CMS APD requirements does not automatically satisfy FNS requirements, which typically require additional SNAP-specific justification and documentation. While our templates serve similar purposes they differ significantly in scope, flexibility, and approval standards due to the distinct statutory and programmatic contexts of Medicaid/CHIP versus SNAP. For joint submissions for CMS and FNS, States can use our templates as a baseline and add any additional requirements needed to meet FNS rules. For FNS-only submissions, continue to use your current process for FNS review and approval.

APD, OAPD, and MDBT

Why were new APD, Operational APD (OAPD), and Medicaid Detailed Budget Template (MDBT) templates released?

The new APD, OAPD, and MDBT templates are intended to make the APD submission process consistent across all states. MES templates can now include both MMIS and E&E into one “Project Tab” will also improve efficiency.

Why are there only APD and OAPD templates, rather than one for each type of APD?

States can use the new APD template for PAPDs, IAPDs, APDUs, and As-Needed APDs. The structure of the OAPD template is different and focuses on the submission requirements in the regulation, please refer to 45 CFR 95.610.

The new APD, OAPD, and MDBT templates combine MMIS and E&E submissions. Will states be expected to combine submissions in the future?

CMS encourages states to combine submissions where applicable, recognizing that the focus is on project implementation. In summary, if a project receives E&E and MMIS funding lines, States should combine APDs into one MES APD submission, wherever feasible.

If states are submitting Multi Op-Div APD (ACF, FNS, etc.), can we modify the template to include their required information?

Yes, as long as it does not impact the required elements for the APDs per 45 CFR 95.610. Please work with your state officer if you have any questions.

Are states with separate MMIS and E&E organizations expected to maintain and submit a combined MDBT?

The new MDBT template captures allocations for all MES (MMIS and E&E) line items in the project tabs and summations in the MES Master tab. States with separate MMIS and E&E organizations should collaborate and submit a single MDBT for all funding allocations for projects impacting E&E and MMIS budget lines, where possible.

Can states include information in their APDs and OAPDs not required by the template?

Yes, we have included an optional “Appendix B” that can be used for additional supporting information that does not fall into any of the other required sections. CMS encourages states to follow the guidance and structure of the new templates. If states have concerns, they should contact their State Officer for guidance.

Some states do not submit PAPDs and instead use IAPDs. Are states now expected to submit PAPDs using the new APD template?

PAPDs are a valuable tool in the MES lifecycle and are codified in regulation. The new APD template provides improved guidance on how states can use the template for the PAPD submission. CMS recommends that states submit standalone PAPDs in the initial phase of their projects.

Is every section in the new APD template required for all types of APDs submitted by states?

Each section of the new APD template contains guidance on the appropriate content and use by APD type.

How is “period” defined in the APD?

In accordance with federal requirements, Federal Financial Participation (FFP) is requested by Federal Fiscal Years (FFY) in the APD. Therefore, the claiming period is defined as the FFY in which funding is approved. Pursuant to 42 CFR §430.30, the CMS-64, the official Quarterly Medicaid Statement of Expenditures for the Medical Assistance Program, must be submitted within 30 days following the close of each quarter and must account for expenditures incurred during that quarter, organized by service category and funding source.

What information should be included in Appendix B of the APD?

The ‘Other Information’ section in Appendix B can be used to provide any additional supporting information in support of the APD update and funding request, such as a detailed analysis of alternatives, requirements analysis, or feasibility studies completed by the State Medicaid Agency to support the decision to implement the proposed system.

Must states submit an OAPD for each project in their annual update?

The new OAPD template allows states to document multiple projects in a single OAPD as part of their annual update submission. If multiple projects are included, however, the state should complete each section for each individual project, as well as supporting MDBTs for each applicable project.

Should states continue to submit the Medicaid Detailed Budget Table (MDBT) with the OAPD?

While the OAPD template does not include a standalone requirement to include the MDBT as a section in the OAPD, it should be a supplemental file to the OAPD. The MDBT is still required to support the budget information reported in Section 3 (Annual Budget), including Tables C–G. States should submit the corresponding MDBT with the OAPD to confirm approved funding even when no budget changes are being requested.

How should states track different versions of an MDBT that is updated?

The MES MDBT does not have a versioning function built into the template. States are encouraged to employ the version management approach that works best for their organization to accurately track different versions of an updated MDBT that they submit to CMS for approval.

Should states put the total project costs by line and apply cost allocation after or submit the MDBT totals with cost allocation already included?

States should submit the MDBT totals with cost allocation already included in accordance with their cost allocation plan included in Section 10. Cost Allocation Plan for Implementation Activities of the MES APD template. For more information about Cost allocation plan requirements, please refer to 45 CFR Part 95, Subpart E.

Is there a place in the template to note the assumptions for cost allocation?

The new MES APD template addresses cost allocation in Section 10. Cost Allocation Plan for Implementation Activities. The section provides space for the state to describe its cost allocation approach which could include assumptions, as well as the Sample Cost Allocations table. For more information about Cost principles, please refer to 45 CFR Part 75, Subpart E.

Does COTS receive a 90/10 match?

Yes, COTS is eligible to receive a 90/10 FFP match as described in 42 CFR 433.112(c)(2), “Design, development, installation, or enhancement costs include costs for initial licensing of commercial off the shelf (COTS) software, and the minimum necessary costs to analyze the suitability of COTS software, install, configure and integrate the COTS software, and modify non-COTS software to ensure coordination of operations. The nature and extent of such costs must be expressly described in the approved APD.”

When migrating to the new MDBT template states required to retroactively split previously approved combined funding categories (E.g. 2A & 2B) by year?

No, states may begin recording funding using the separate MDBT categories going forward when using the new template. CMS does not require states to retroactively separate or reclassify funding categories (such as 2A and 2B) for previously approved APDs.

What is the difference between customization and configuration? How should states split these in the MDBT?

How states should split these in the MDBT is determined by the phase the project is in and who is doing the work. For example if the work is MMIS DDI 90% FFP and the work is performed by vendor then the state would enter this in line item 2B, whereas the cost would be entered in line item 2A for work performed by in-house staff. It is recommended that states work with their State Officer to discuss the best approach to this, and to reference the definition for Software Maintenance in 45 CFR 95.605.

How should states address multi-program allocations using the new MDBT template?

There is no change in the new MES MDBT template for how states currently address multi-program cost allocations when submitting their APD for CMS approval. States are expected to follow cost allocation principles, please refer to 45 CFR Part 75, Subpart E.

Certification

Will EVV certifications continue to follow a process different from Streamlined Modular Certification (SMC)?

No. CMS has aligned the EVV Outcomes-Based Certification (OBC) guidance with the SMC framework to streamline the certification process. As announced in the SHO letter, “Streamlining Medicaid Enterprise Systems (MES) funding and oversight process,” this updated SMC guidance aims to create efficiencies for both states and CMS, while addressing challenges since the release of SMDL #22-001. The SHO letter formally sunsets the existing EVV OBC process. States must adhere to the latest version of the SMC Guidance. EVV OBC components, including CEF, CMS-required outcomes, state-specific outcomes, and metrics, now align with SMC.

SMC Intake Form

For upcoming EVV certifications, do states need to resubmit with the new SMC Intake Form if they already submitted using the old EVV OBC Intake Form?

To minimize impact, states should collaborate with their CMS MES State Officer and CMS Certification Team to determine the optimal transition strategy for any future EVV certification reviews. Any EVV certifications currently scheduled or underway may follow the OBC process.

For all upcoming certifications, do states need to resubmit with the new SMC Intake Form if they already submitted using the old SMC Intake Form for ORR?

It depends on timing. To minimize impact, States should collaborate with their CMS MES State Officer and CMS Certification Team to determine the optimal transition strategy for any future SMC certification reviews.

ORW

Why was the updated ORW template released?

The updated ORW template has been refined and enhanced to facilitate the processing and analysis of MES operational reporting data. States that previously utilized the pilot ORW template should find the new version more user-friendly. For states adopting the tool for the first time, the comprehensive instructions provided should be helpful and straightforward to follow. It is recommended to start using the new template immediately. Upon the conclusion of the transition period, the new ORW template will be mandatory for the monthly submission of all operational metrics data.

Should states continue to include ORWs with APD/OAPD submissions?

For OAPD submissions, states may affirm that they have submitted an ORW for the specified time frame. They can include the URL in the OAPD to their Metrics folder on the state repository, where the submitted ORWs are located.

Do states need to provide details of the outcomes and conditions for enhanced funding again in the ORW, after providing them as part of the certification process?

CMS is using this process to create a more current, standardized, and operational view of system decisions and funding conditions across states and is expected to be consistent with information already included in the state’s APD. The monthly submission of the ORW allows CMS to monitor progress, outcomes, and reporting on an ongoing basis, rather than relying solely on the annual APD cycle or one-time certification documentation, as details can change, and not all projects are required to go through the certification process.

Previously, states uploaded their operational metrics to the “State Submission folder” on Box. Has this process changed?

No. Until instructed otherwise, please continue to upload all operational metric reports to the state metrics folder on Box, in the “State Submission” folder.

Is there a file naming convention for operational reports? Where can States find it?

The file naming convention is “Operational_Report_[state abbreviation]_[module abbreviation]_[YYYY-MM-DD]”. Refer to the Intake Procedures Manual on the “Metrics and Ongoing Reporting” page of the MES Certification Repository (GitHub) for more information.

If the state is reporting an attestation-type metric in its ORW, and the values are captured in a separate report, should the state upload this other report with the ORW to Box?

No. The state should report the attestation-type metric value in the ORW template, ensuring the Value Type on the **Metric Definitions** tab is "Numerical." Metric values should **also** be defined in the "Note" column (e.g., 0=No/Fail, 1=Yes/Pass). Then, the correct value, 0 or 1, should be entered in the Metric Value column on the **Metric Data** tab. Supporting documentation should not be uploaded to Box but must be available to provide to CMS upon request.

Where should states upload their “Plan of Action and Milestones” (POA&M) for their quarterly CEF metrics?

States should upload their POA&M report quarterly to the new “[State Name] – Plan of Action and Milestones” folder on Box, located under each State Medicaid Agency’s “Account” folder. All previously uploaded POA&M reports will be migrated to this new folder for improved organization and management.

Can CMS provide an example of security metric reporting? Should a state report 3 months' worth of metrics in the ORW, or just the latest month?

For quarterly metrics, states should capture data monthly but report it quarterly in the Metric Data tab of the ORW. States should use the first day of the last month of the quarter as the Reporting Date (Column A). For example, the Metric ID for Kentucky's privacy and security metric (CEF09) for its Decision Support System & Data Warehouse (DSSDW) module would be KY-CR-DSSDW-CEF-09.1. This metric will have three associated measure counts (Column C):

- 1=Very High
- 2=High
- 3=Total Count of Open Issues

Refer to the screenshot below for how the state would report its metrics for the quarter running October 1, 2025 through December 31, 2025:

A	B	C	D	E	F	G	H	I
<i>Instruction: Use this column to enter the reporting date for the metric values in a date format; for example: 05/01/2025.</i>	<i>Instruction: Select a Metric ID from the dropdown prepopulated with values from the Metric Definitions tab.</i>	<i>Instruction: Use Measure Count to distinguish between values for a specific Metric ID where multiple values exist (e.g., due to different modes or categories). Measure Count identifies each distinct value associated with the same Metric ID. e.g., "1, 2, 3," etc.</i>	<i>Instruction: Describe each Measure Count, where applicable.</i>	<i>Instruction: Enter the value of the metric. NOTE: If data is missing for an expected metric, include the row but leave the Metric Value blank, and add a Comment explaining the reason for the missing data.</i>	<i>Instruction: If the metric is a percentage, enter the numerator; otherwise, leave blank.</i>	<i>Instruction: If the metric is a percentage, enter the denominator; otherwise, leave blank.</i>	<i>Instruction: Select the metric program type: * Medicaid * CHIP * Both</i>	<i>Instruction: Report an state benchmarks for metric.</i>
Reporting Date	Metric ID	Measure Count	Measure Count Description (Optional)	Metric Value	Numerator	Denominator	Program Type (Required)	Internal State Benchmark (Optional)
12/1/2025	KY-CR-DSSDW-CEF-09.1	1	Very High Risk	0			Medicaid	
12/1/2025	KY-CR-DSSDW-CEF-09.1	2	High Risk	2			Medicaid	
12/1/2025	KY-CR-DSSDW-CEF-09.1	3	Total Count	6			Medicaid	

If a state cannot report on a metric listed in their annual OAPD, should they still include it in the ORW that they submit with other metrics?

Yes. First, be sure to discuss with your CMS MES State Officer why you cannot report on the metric. Then, please include the metric (ID, Name, Description, Value Type, OAPD Status, etc.), but leave the Metric Value column blank. Provide the justification for the absent metric value in the "Note" column of the ORW.

If a state has already submitted operational report metrics and then has an update to one or some of the data, should they submit another ORW in the same reporting time frame?

Yes. If you have updates to previously submitted data, please update the existing ORW with the new data and values and change the filename to reflect the new submission date. This file will be incorporated into the database, and the newer data will overwrite the previous submission.

What is the difference between the 6-month and 12-month reporting requirements?

States are required to collect six months of metric data to prepare for a certification review and 12 months of data for an APD submission unless the APD is submitted less than 12 months after certification.

What should states use as a benchmark for each metric?

States are encouraged to set benchmarks for their metrics to establish a goal against which they can measure their system’s performance. Currently, this is an optional field in the ORW template. States can and should consider setting realistic quality and/or system performance goals (“benchmarks”) to evaluate their achievement.

States identify metrics for their MES to measure and demonstrate achievement of the identified outcome(s) for their system. A benchmark is a target that the state aims to achieve through repeated measurement and evaluation of their metrics. For example, a state might identify a metric that measures the percentage of auto-assignment its system does for its Medicaid enrollees and determines that it wants to reach a benchmark of 100% assignment (measured monthly).

MES Procurement Document Checklist

When must states use the procurement checklist?

This checklist applies to all procurement instruments, including Requests for Proposal (RFPs), Requests for Quote (RFQs), and other related solicitations. It must be submitted to CMS for review and approval in support of the MES procurement documents, in alignment with 45 CFR Part 95 Subpart F (including §§ 95.610–95.613) and the Medicaid-specific rules in 42 CFR Part 433, Subpart C, unless waived by CMS.

What are the contract provisions for non-federal entity contracts under federal awards?

The required provisions are listed under 45 CFR Appendix II to Subpart F of Part 75 - Contract Provisions for Non-Federal Entity Contracts Under Federal Awards

How do Quality Assurance Surveillance Plans (QASPs) relate to the Procurement Document Checklist?

A Quality Assurance Surveillance Plan (QASP) is a contract oversight tool used to monitor and document contractor performance against the Performance Work Statement (PWS). When applicable, states may reference or include a QASP as part of their procurement documentation to demonstrate how performance standards, quality controls, and accountability mechanisms will be applied. Including this information supports effective contract oversight, program integrity, and compliance with performance-based contracting principles.

Project Status Report

Is this requirement to submit a Project Status Report new?

No, the requirement to submit project status reports is not new, but this template is. Since SMC went live in 2022, CMS no longer requires states to submit the Project Partnership Understanding (PPU) or Quarterly Certification Progress Reports. Instead, states now submit monthly project status reports to appropriately demonstrate project health and progress on all systems receiving enhanced FFP. This new standardized template provides a consistent reporting structure across all states, structured data collection that facilitates analysis and comparison, enhanced visibility into project health indicators, and enables timely decision-making and the ability to make adjustments to project plans as needed.

Is anything else required by the state to comply with the project status reporting requirements? In the SMC Guidance (version 1), page 11 lists several bulleted items, such as Roadmap, Progress Tracking, User Feedback, Defect and Risk List, Product Demos, and Testing Process.

No, all pertinent MES project status reporting elements are captured in the new monthly Project Status Report template. This includes any applicable content referenced in the guidance document. The SMC Guidance was updated to version 2.0 after the SHO letter was released to better reflect the reporting elements in the new template.

Are project status reports required for MES projects that do not require certification?

Yes, states must submit a status report for each MES project receiving enhanced funding. An MES project can include, but not be limited to, an initiative to develop or enhance a system or module, Project Management Office (PMO), call center, or other Maintenance & Operations for a system or module (MES modules pertain to specific functional areas within the Medicaid Enterprise).

Does the project status report require reporting on M&O?

Yes, there is a “Project <Name> Overview – DDI” and “Project <Name> Overview – M&O” tab in the template, use the appropriate tab and fill in all the applicable information.

If the project’s system/module is not creating the T-MSIS files, should I mark the “T-MSIS Intersection” field as “N”?

Not necessarily. Mark “Y” if the project contributes to T-MSIS in any way, including providing data that feeds into T-MSIS files (even if another system actually creates the files) or directly creating/generating the T-MSIS files.

Mark “N” only if the project neither provides any data on the T-MSIS files nor generates T-MSIS files.

Which parts of the template need to be filled out for M&O vs. DDI?

All applicable parts of the applicable tab must be filled out. There is a “Project <Name> Overview – DDI” and “Project <Name> Overview – M&O” tab in the template, use the appropriate tab and fill in all the applicable information.

Should milestones be reported on for the whole project or monthly installments?

Milestones must be reported for the current reporting month. States should include major upcoming milestones for future months so it’s clear what is planned. However, States are not required to enter all project milestones at once (though they may do so if they choose).

What is the purpose of collecting vendor contact information in the templates?

Vendor contact information helps CMS understand which vendors support each MES system or module and identify appropriate points of contact if questions or issues arise. This information supports coordination, communication, and accountability across MES operations.

If I know the State POC is changing soon, when should I include that change?

You should enter the change as soon as you know it. Show both the current and future POC and include the effective date when the new POC will take effect.

How can states submit additional supporting information if not captured in the Project Status Report?

If the MES State Officer requests additional information, States can submit additional supporting information outside the Project Status Report as a supplemental file; the report should only contain information related to the data elements included in the report.

Can states leave sections blank if nothing has happened in the past month or is not relevant?

Yes, states can designate the appropriate fields as “no update” if there is no new information to report or “not applicable” if it does not apply.

Once an MES system, module, or project goes through certification, must states continue submitting project status reports to CMS?

Yes, even after a state completes certification, they should continue to submit a monthly project status report to support operational risk management, in addition to meeting their operational reporting requirements using the ORW. Submitting project status reports also applies to all projects receiving enhanced funding, including those in the M&O phase.

Some states do not do budget costs by month, making it difficult to report on them in the project status report. How should states in this situation approach that section?

As indicated in the instructions, the state must provide a clear and comprehensive summary of each MES project’s financial status. States should report monthly, with the most recent available expenditure data in the “Actual Expenditures Costs for This Period-to-Date” field. CMS recognizes that budget information may lag.

How is a “major deliverable” defined for the project status report?

A “major deliverable” is defined by each state, based on its own project management practices and documentation.

APDs include a roll-up of several projects. Should the project status report be broken out for individual projects? For example, should states submit a project status report just for provider enrollment even if the approved APD budget is bigger?

States should submit a status report outlining activities for **each project** receiving Federal Financial Participation (FFP) within the Medicaid Enterprise covering both Design, Development, and Implementation (DDI) and Maintenance and Operations (M&O) phases. A single MES system or module may be associated with multiple projects, and multiple MES modules could be associated with one project. The “State Profile” and “State Contracts Roster” tabs provide information on all MES-related projects.

What criteria determine the MES Project Health Rating?

MES Project Health Ratings are categorized as Red, Yellow, or Green based on the project's budget, schedule, resources, issues and risks, scope, and quality standards.

- **Red:** Indicates the project is off track and requires immediate action due to budget overruns, missed milestones, lack of resources, or unresolved issues and risks.
- **Yellow:** Signifies potential issues that could lead to delays or increased costs if not addressed promptly, such as manageable budget issues, minor scope changes, or resource constraints.
- **Green:** Means the project is on track, progressing as planned, and meeting objectives within the defined scope, time, and cost.

AoA

The Analysis of Alternatives (AoA) seems like it will be a heavy lift. Is enhanced match funding available to perform AoAs?

Yes, enhanced match funding is available. PMO or Systems Integrator vendors can participate in the development of the AoA and related activities if proper controls are in place.

What aspects of the AoA process are covered under the PAPD vs. IAPD?

During the PAPD, only a commitment to perform the AoA is required via section 3. The AoA should be completed and included as part of the initial IAPD (typically referenced within section 3 and included via Appendix B).

What is the definition of a project that requires an AOA?

A significant investment decision, such as initiating a new project, evaluating changes to an existing system, or when a new need or capability gap is identified. The purpose is to compare different potential solutions (alternatives) for their cost, effectiveness, risks, and alignment with strategic goals to select the best option for the program.

Is it possible for a single IAPD to include multiple projects for MES services, systems, or modules that necessitate two distinct AoAs?

Yes, a single IAPD may include multiple projects, and each project that represents a distinct investment decision may require its own Analysis of Alternatives (AoA). A single MES system or module may support multiple projects, and multiple MES modules may support one project, but each project should be evaluated independently based on its scope and objectives.

How can states share market research information with each other ahead of formal processes?

States may share market research information through State Officers, who can facilitate connections or warm handoffs between states as needed. States are also encouraged to leverage the Medicaid Enterprise Reuse resources on Medicaid.gov and engage through CMS conferences and the State Technical Advisory Group (S-TAG). Direct peer-to-peer collaboration among states with similar MES initiatives is also encouraged, consistent with procurement requirements.

What does “reuse” encompass?

Guidance on reuse is available via SMD #18-005, which can be accessed via <https://www.medicaid.gov/medicaid/data-systems/medicaid-enterprise-reuse>. Additionally, states can leverage the FAQs on Medicaid.gov filtered for "Medicaid Enterprise System (MES) Reuse."

States should connect with their State Officer for state-specific examples of successful MES reuse initiatives. In the context of the AoA, states are expected to promote the sharing, leveraging, and reuse of Medicaid technologies and systems within and among States, per 42 CFR 433.112.

States can only consider what is submitted in the bid from the vendor, but the scope of the AoA appears to include considerations beyond that. Can CMS clarify how to approach this broader scope?

The AoA is not limited to vendor bid responses. Typically the AoA is completed before an RFP is issued. States should evaluate a full range of viable alternatives, including reuse, configuration versus customization, phased approaches, and non-vendor solutions, using available market research and state knowledge. Vendor bids may inform the analysis but should not constrain the scope of alternatives considered.

Can CMS provide more detailed scoring methodology for the AoA?

CMS does not prescribe a standardized or detailed scoring methodology for the Analysis of Alternatives (AoA). States are expected to use a reasonable, transparent, and well-documented evaluation approach that considers, at a minimum, factors such as partnerships, reuse opportunities, functionality, and estimated cost, but is not limited to those elements. CMS reviews the AoA for completeness, rationale, and sound decision-making rather than adherence to a specific scoring model.

State CIOs do not always have time to review this type of document. Will CMS tailor the review process to their availability?

CMS recognizes the competing demands on State CIOs and does not require their direct participation in every AoA review. States should follow their internal governance processes to obtain appropriate leadership input, while CMS will focus its review on the completeness and quality of the AoA rather than who specifically participated in the review.

Structures and procurement authorities differ across states. How will CMS provide flexibility to avoid duplicative work?

CMS recognizes that state governance structures and procurement authorities vary and will allow flexibility in how states demonstrate compliance with AoA and APD requirements. States may leverage existing analyses, procurement artifacts, and documentation to satisfy requirements, provided they address the required elements and are clearly cross-referenced. States are encouraged to work with their CMS MES State Officer to align expectations and minimize duplicative effort.

Appendix: Acronym List

Term	Definition
AoA	Analysis of Alternatives
APD	Advance Planning Document
APDU	Advance Planning Document Update
CEF	Conditions for Enhanced Funding
CR	Certification Review
E&E	Eligibility and Enrollment
EVV	Electronic Visit Verification
FAQ	Frequently Asked Questions
FFP	Firm Fixed Price
IAPD	Implementation of the Advance Planning Document
IT	Information Technology
IV&V	Independent Verification and Validation
M&O	Maintenance and Operations
MCPIRS	Mechanized Claims Processing and Information Retrieval System
MDBT	Medicaid Detail Budget Table
MES	Medicaid Enterprise Systems
MMIS	Medicaid Management Information System
OAPD	Operational Advance Planning Document
OBC	Outcomes-Based Certification
ORR	Operational Readiness Review
ORW	Operational Report Workbook
PAPD	Planning Advance Planning Document
PMO	Project Management Office
POA&M	Plan of Action and Milestones
PPU	Project Partnership Understanding
RFP	Request for Proposal
SHO	State Health Official
SI	Systems Integrator
SMC	Streamlined Modular Certification
SMDL	State Medicaid Director Letter
SO	State Officer