
SHO # 25-005

**RE: 2027 Updates to the Child and Adult
Core Health Care Quality Measurement
Sets and Mandatory Reporting Guidance**

December 30, 2025

Dear State Health Official:

The Centers for Medicare & Medicaid Services (CMS) is issuing this annual State Health Official (SHO) letter to provide the 2027 updates to the Core Set of Children's Health Care Quality Measures for Medicaid and the Children's Health Insurance Program (CHIP) (Child Core Set) and the Core Set of Adult Health Care Quality Measures for Medicaid (Adult Core Set) and to provide the expectations for 2027 Core Set quality measure reporting, due to CMS by December 31, 2027. This letter also includes updates to the 2026 Core Sets. Throughout the SHO letter, the term "states" is used to refer collectively to the 50 states, the District of Columbia, Puerto Rico, the U.S. Virgin Islands, and Guam, which are all subject to mandatory reporting requirements. American Samoa and the Mariana Islands may, but are not required to, report Child and Adult Core Set measures.

Specifically, this letter addresses:

- Mandatory reporting of the Child Core Set and the behavioral health measures on the Adult Core Set;
- Annual updates to the 2027 Child and Adult Core Sets;
- Updates to the 2026 Core Sets;
- Adherence to mandatory reporting guidance;
- Populations that states must include in reporting and the population exemption process; and
- Data stratification categories and measures for which stratified reporting is mandatory.

The Quality Measure Reporting (QMR) system will open for 2027 Core Set reporting in September 2027. Additional materials will be released in early 2027 including resource manuals and technical specifications, value sets, technical assistance (TA) briefs, and updates to the reporting system.

Background

Data reported on the Child and Adult Core Sets assist CMS and states in understanding the quality of health care provided in Medicaid and CHIP and monitoring access to health care for beneficiaries. CMS and states use core set data to inform and drive quality improvement, leading to improved access to health care services for Medicaid and CHIP beneficiaries. The Medicaid and CHIP Child Core Set was established by Section 401 of the Children's Health Insurance

Program Reauthorization Act of 2009 (CHIPRA) (Pub. L. 111-3, enacted February 4, 2009), which added section 1139A to the Social Security Act (the Act). Section 2701 of the Patient Protection and Affordable Care Act (Pub. L. 111-148, enacted March 23, 2010) as amended and revised by the Healthcare and Education Reconciliation Act (Pub. L. 111-152, enacted March 30, 2010), referred to collectively as the Affordable Care Act (ACA), added section 1139B to the Act establishing the Medicaid Adult Core Set.

Mandatory Reporting of the Child Core Set and Behavioral Health Measures on the Adult Core Set

Section 50102(b) of the Bipartisan Budget Act of 2018¹ (Pub. L. 115-123, enacted February 9, 2018) made state reporting of the Child Core Set mandatory starting in 2024, and section 5001 of the Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (SUPPORT Act)² (Pub. L. 115-271, enacted October 24, 2018) made state reporting of the behavioral health measures on the Adult Core Set mandatory starting in 2024. The remainder of the measures on the Adult Core Set are voluntary for states to report. In 2023, CMS published the Mandatory Medicaid and CHIP Core Set Reporting final rule (88 FR 60278) to provide requirements for mandatory reporting of the Core Sets.³ Since issuance of the final rule, CMS has provided subsequent guidance through annual SHO letters.⁴ Measures that are mandatory for states to report in 2027 will be referred to in this letter as “mandatory measures.”

Annual Updates to the Core Sets

Periodic reassessment of measures is an essential part of implementing an effective quality reporting program, as changes in clinical guidelines, experiences with reporting, and performance rates may warrant modification of the measure sets. Section 1139A of the Act provides that, beginning in January 2013 and annually thereafter, the Secretary of Health and Human Services shall, following consultation with stakeholders, publish recommended changes to the core measures.⁵ Section 1139B of the Act provides that the Secretary shall issue updates to the Adult Core Set beginning in January 2014 and annually thereafter.⁶

The 2027 Child and Adult Core Set Annual Review Workgroup, which represented a diverse array of affiliations and expertise, including state Medicaid and CHIP agencies, health care providers, health plans, and patient advocates, met in February 2025 to recommend updates to the 2027 Core Sets.⁷ CMS tested the workgroup’s recommendations with state Medicaid and CHIP agencies and other federal agency partners with the goal of releasing Core Set measures that are evidence-based, feasible for state-level reporting, and are aligned within CMS and across

¹ Bipartisan Budget Act of 2018 (Pub. L. 115-123): <https://www.congress.gov/115/bills/hr1892/BILLS-115hr1892enr.xml>

² Substance Use-Disorder Prevention that Promotes Opioid Recovery and Treatment for Patients and Communities Act (SUPPORT Act) (Pub. L. 115-271): <https://www.congress.gov/115/bills/hr6/BILLS-115hr6enr.pdf>

³ Final Rule: <https://www.federalregister.gov/documents/2023/08/31/2023-18669/medicaid-program-and-chip-mandatory-medicare-and-childrens-health-insurance-program-chip-core-set>

⁴ Historical Policy Guidance: <https://www.medicare.gov/medicare/quality-of-care/performance-measurement/adult-and-child-health-care-quality-measures/compilation-of-annual-updates-child-and-adult-core-health-care-quality-measurement-sets>

⁵ https://www.ssa.gov/OP_Home/ssact/title11/1139A.htm

⁶ https://www.ssa.gov/OP_Home/ssact/title11/1139B.htm

⁷ 2027 Annual Workgroup Final Report: <https://www.mathematica.org/-/media/internet/features/2025/child-and-adult-core-set/2027coresetreview-finalreport.pdf>

the federal government where possible.⁸ Moving forward, CMS will place an increased focus on Core Set measures that tackle major chronic conditions and foster measurable improvements in health outcomes. CMS also plans to encourage clinicians to invest appropriate time into patient education and shared clinical decision-making.

Summary of Annual Updates

Based on the input received through this annual review process, CMS is making the following updates to the Child and Adult Core Sets:

- 1) There are no additions to the Child Core Set for 2027 reporting.
- 2) Two measures will be added to the 2027 Adult Core Set for voluntary reporting:
 - *Evaluation of Hepatitis B and C* (EHBC-AD)⁹
 - *Adults with Diabetes—Oral Evaluation* (DOE-AD)¹⁰
- 3) Two measures are being retired by the measure steward and will be removed from the Core Sets:
 - Adult Core Set: *Medical Assistance with Smoking and Tobacco Use Cessation* (MSC-AD)
 - Child and Adult Core Sets: *Asthma Medication Ratio* (AMR-CH and AMR-AD)
- 4) The *Prenatal Depression Screening and Follow-up* measure (PND-CH and PND-AD)¹¹ and *Postpartum Depression Screening and Follow-up* measure (PDS-CH and PDS-AD)¹² will remain provisional for 2027. Provisional measures are **not** considered part of the 2027 Child or Adult Core Sets.

Discussion of Annual Updates

Measures added to the 2027 Adult Core Set

The following measures are being added to the 2027 Adult Core Set for voluntary state reporting:

- *Evaluation of Hepatitis B and C* (EHBC-AD).¹³ This measure assesses the number and percentage of adult, non-dually eligible Medicaid beneficiaries who were tested for hepatitis B, tested for hepatitis C, and treated for hepatitis C. Timely testing, diagnosis, and treatment of hepatitis can prevent serious liver damage and improve outcomes.
- *Adults with Diabetes-Oral Evaluation* (DOE-AD).¹⁴ This measure assesses the percentage of enrolled adults aged 18 years and older with diabetes who received a comprehensive or periodic oral evaluation or a comprehensive periodontal evaluation within the reporting year. This measure supports improved integration and coordination of care between medical and dental care systems that promote whole-person health.

Provisional Measures

⁸ CMS Annual Review and Selection Process: <https://www.medicaid.gov/medicaid/quality-of-care/downloads/annual-core-set-review.pdf>

⁹ Measure Steward: Medicaid Outcomes Distributed Research Network's (MODRN) Data Coordinating Center at the University of Pittsburgh

¹⁰ Measure Steward: Dental Quality Alliance (DQA)

¹¹ Measure Steward: National Committee for Quality Assurance (NCQA)

¹² Measure Steward: NCQA

¹³ Measure Steward: MODRN Data Coordinating Center at the University of Pittsburgh

¹⁴ Measure Steward: DQA

CMS will continue to categorize the *Prenatal Depression Screening and Follow-up* (PND-CH and PND-AD) measures¹⁵ and *Postpartum Depression Screening and Follow-up* (PDS-CH and PDS-AD) measures¹⁶ as provisional, voluntary measures for state reporting in 2027. Public comments on the 2026 Workgroup Report and additional partner input raised significant state concerns about feasibility, including (1) limited access to the clinical data needed to calculate both the prenatal and postpartum depression screening and follow-up measures and (2) the fact that many state Medicaid programs, plans, and providers do not use the codes required in the technical specifications. Because the prenatal and postpartum depression screening and follow-up measures were included in the 2025 and 2026 Core Sets only as provisional, voluntary measures, states have not yet reported them. CMS therefore lacks sufficient information to determine whether these measures would yield valid, reliable performance results. Accordingly, CMS will maintain their provisional status for 2027 and re-evaluate them in future annual updates.

Retired Measures

The *Medical Assistance with Smoking and Tobacco Use Cessation* (MSC-AD) measure on the Adult Core Set and the *Asthma Medication Ratio* (AMR-CH and AMR-AD) measure on both the Child and Adult Core Sets are being retired by the measure steward for the 2027 Core Set year.¹⁷ Retirement of these measures results in the absence of Core Set measures addressing tobacco use and asthma, both of which are prevalent conditions among Medicaid and CHIP beneficiaries.¹⁸ ¹⁹ CMS will request that the 2028 Annual Core Set Workgroup address these priority areas and will consider updating the 2027 Core Sets pursuant to Workgroup recommendations.

Updates to the 2026 Core Sets

Under section 1139A(b)(5) of the Act, the Secretary has discretion to make changes to the Core Sets that he deems best to improve and strengthen the Core Sets. Pursuant to this discretion, CMS is removing the following four measures related to pediatric and prenatal immunization status from the 2026 Child and Adult Core Sets.²⁰

- Childhood Immunization Status (CIS-CH)
- Immunizations for Adolescents (IMA-CH)
- Prenatal Immunization Status: Under Age 21 (PRS-CH)
- Prenatal Immunization Status: Age 21 and Older (PRS-AD)

Although not part of the Core Sets, states may voluntarily report on the results of these four Utilization Measures to CMS to allow CMS to maintain a longitudinal dataset while exploring alternative immunization measures. The Childhood Immunization Status (CIS-CH) and Immunizations for Adolescents (IMA-CH) measures will be removed from 2026 mandatory stratification requirements.

¹⁵ Measure Steward: NCQA

¹⁶ Measure Steward: NCQA

¹⁷ Measure Steward: NCQA

¹⁸ Cornelius ME, Loretan CG, Jamal A, et al. Tobacco Product Use Among Adults – United States, 2021. MMWR Morb Mortal Wkly Rep 2023;72:475–483. DOI: <http://dx.doi.org/10.15585/mmwr.mm7218a1>.

¹⁹ Pruitt K, Yu A, Kaplan BM, Hsu J, Collins P. Medicaid Coverage of Guidelines-Based Asthma Care Across 50 States, the District of Columbia, and Puerto Rico, 2016-2017. Prev Chronic Dis 2018;15:180116. DOI: <http://dx.doi.org/10.5888/pcd15.180116>.

²⁰ The following measures were formerly mandatory for state reporting: CIS-CH, IMA-CH, PRS-CH. The following measure was formerly voluntary for state reporting: PRS-AD.

In 2026 and beyond, CMS will explore options to facilitate the development of new vaccine measures that capture information about whether parents and families were informed about vaccine choices, vaccine safety and side effects, and alternative vaccine schedules. CMS plans to engage with stakeholders, including states, quality measure stewards, immunization registry managers, providers, and electronic health record vendors to learn how new measures could capture person and family preferences related to vaccines. CMS will also explore how religious exemptions for vaccinations can be accounted for in the data and the subsequent measures.

CMS does not tie payment to performance on immunization quality measures in Medicaid and CHIP at the federal level. While states have flexibility and discretion to use quality measures in state developed value-based purchasing and payment incentive fee for service or managed care programs, CMS strongly discourages states from using immunization measures in payment arrangements.

Adherence to Mandatory Reporting Guidance

In order to meet the mandatory reporting requirements, states must report on all mandatory measures by December 31, 2027.²¹ States must also adhere to guidance detailed in the resource manuals and TA briefs issued by CMS, which include how to calculate and report to CMS the Core Sets' measures data using CMS' QMR system.²² CMS expects that the 2027 reporting resources will be available on [Medicaid.gov](https://www.medicaid.gov) in early 2027, and will notify states when they are posted. If states need individualized TA to support Core Set Reporting, please send a request to MACQualityTA@cms.hhs.gov.

To reduce state burden associated with measure reporting, CMS has identified alternate data sources that CMS will use to calculate certain measures on behalf of states. CMS will report the following 2027 Core Set measures on behalf of states:

- *Live Births Weighing Less Than 2,500 Grams* (LBW-CH) – calculated using the Centers for Disease Control and Prevention's (CDC) data;
- *Low-Risk Cesarean Delivery* (LRCD-CH and LRCD-AD) – calculated using CDC data;
- Measures from the Consumer Assessment of Healthcare Providers and Systems (CAHPS®) Health Plan Survey 5.1H – Child Version Including Medicaid and Children with Chronic Conditions Supplemental Items (CPC-CH) – calculated in part using Agency for Healthcare Research and Quality's (AHRQ) CAHPS Database; and
- Measures from the CAHPS® Health Plan Survey 5.1H, Adult Version (Medicaid) (CPA-AD) — calculated in part using AHRQ's CAHPS Database.

Populations and Population Exemption Process

States are required to report the mandatory measures for all Medicaid and CHIP beneficiaries. As provided in the final rule, through this annual guidance, CMS will identify any populations for whom reporting is not required for a specific year due to the difficulties states face in accessing data. While not required, states may voluntarily report on these exempted populations.

²¹ 42 CFR § 437.15.

²² Core Set reporting guidance and resources: <https://www.medicaid.gov/medicaid/quality-of-care/performance-measurement/adult-and-child-health-care-quality-measures/index.html>

CMS will continue to exempt the following populations, which were identified in the Initial Mandatory Core Set SHO Letter, from mandatory reporting for 2027:^{23, 24}

- Beneficiaries who have other insurance coverage as a primary payer before Medicaid or CHIP, including individuals dually eligible for Medicare and Medicaid; and
- Individuals whose Medicaid or CHIP coverage is limited to payment of liable third-party coverage premiums and/or cost sharing.

If states are unable to report on a specific population, other than those mentioned above, for any mandatory measure, states may request a one-year exemption.²⁵ The population exemption request for 2027 Core Set reporting must be submitted by the State Medicaid or CHIP Director by September 1, 2027. Please submit the request to (MACqualityTA@cms.hhs.gov).

CMS is available for TA and to review draft submissions. CMS is committed to responding to these requests in a timely manner before the close of the mandatory reporting period to ensure states have time to complete reporting by December 31, 2027. If CMS denies a state's request for exemption, the state will be expected to include the relevant population in that year's annual Child and Adult Core Sets' reporting.

Measure Stratification

Since the inception of the Child and Adult Core Sets, CMS has collaborated with state Medicaid and CHIP programs to collect, report, and use Core Set measures to drive quality improvement.²⁶ As part of these efforts, the statute provides for stratification and use of Core Set data “to estimate the overall national quality of health care for children, including children with special needs, and to perform comparative analyses of pediatric health care quality and racial, ethnic, and socioeconomic disparities in child health and health care for children.”²⁷

As set out in regulation and further detailed in the Initial Mandatory Core Set SHO Letter, states will be required to report stratified data for 50% of the mandatory 2027 Core Set measures.²⁸ These measures are identified in Table 1. CMS selected this subset of measures because they cover the lifespan, from birth through adulthood, and reflect high priority areas for improvement in health care delivery and health outcomes. CMS also prioritized measures included in other quality programs, such as the Medicaid & CHIP Scorecard and the CMS Universal Foundation measure set.^{29, 30}

For 2027, states will be expected to stratify the mandatory measures in Table 1 by race and ethnicity, sex, and geography, using established data standards.³¹ CMS has updated the required

²³ 42 CFR § 437.10(c).

²⁴ Initial Core Set SHO: <https://www.medicaid.gov/federal-policy-guidance/downloads/sho23005.pdf>

²⁵ 42 CFR §§ 437.10(c), 437.15(a)(4) and (6).

²⁶ <https://www.medicaid.gov/medicaid/quality-of-care/index.html>

²⁷ Section 1139A(a)(3)(D) of the Act.

²⁸ 42 CFR § 437.10(b)(7) and (d).

²⁹ Scorecard: <https://www.medicaid.gov/state-overviews/scorecard/index.html>

³⁰ Universal Foundation: https://www.nejm.org/doi/full/10.1056/NEJMp2215539?query=featured_home

³¹ For race and ethnicity, states should refer to the 2024 Office of Management and Budget (OMB) Statistical Policy Directive No. 15 (Directive No. 15): Standards for Maintaining, Collecting, and Presenting Federal Data on Race and Ethnicity <https://www.federalregister.gov/d/2024-06469>. States have until 2029 to bring their agency collections and publications into compliance with Directive No.15. For geography, states should use a minimum standard of

categories for reporting in accordance with the 2024 updates to the Office of Management and Budget (OMB) standards and CMS will note any future changes to the standards in subsequent SHO letters. The annual resource manuals and TA briefs will provide additional details on the uniform data collection standards for the required stratification categories and the process to report these data in the QMR system. Stratification of measures by additional factors will be phased in as data standards are established and data becomes available. CMS is exploring stratifying quality measures across additional stratification categories, which could include by eligibility group such as the adult expansion group.

Table 1

Child Core Set Measures for Stratification for 2026 and 2027 Core Set Reporting <i>12 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) • <i>CMS calculates on behalf of states</i>
• Low-Risk Cesarean Delivery (LRCD-CH) • <i>CMS calculates on behalf of states</i>
• Follow-up after Emergency Department Visit for Substance Use: Ages 6 to 17 (FUA-CH)
• Asthma Medication Ratio (AMR-CH) ³² or Weight Assessment and Counseling for Nutrition and Physical Activity for Children/Adolescents (WCC-CH) ³³
• Lead Screening in Children (LSC-CH)
• Follow-up Care for Children Prescribed ADHD Medications (ADD-CH)
• Avoidance of Antibiotic Treatment for Acute Bronchitis/Bronchiolitis: Ages 3 Months to 17 Years (AAB-CH)

core-based statistical area (CBSA) (<https://www.census.gov/geographies/reference-maps/2020/geo/cbsa.html>) with recommendation to move towards Rural-Urban Commuting Area Codes (<https://www.ers.usda.gov/data-products/rural-urban-commuting-area-codes/>).

³² **2026 Core Set Reporting:** Due to the retirement of this measure from the 2027 Core Set, states may choose to stratify WCC-CH in lieu of AMR-CH to meet mandatory 2026 Core Set reporting requirements.

³³ **2027 Core Set Reporting:** Due to the retirement of Asthma Medication Ratio: Ages 5 to 18 (AMR-CH), CMS has replaced it with WCC-CH for mandatory stratification in 2027. States may choose to stratify WCC-CH in lieu of AMR-CH to meet mandatory 2026 Core Set reporting requirements.

Adult Core Set Behavioral Health Measures Subject to Stratification for 2026 and 2027 Core Set Reporting <i>5 measures</i>
<ul style="list-style-type: none"> Initiation and Engagement of Substance Use Disorder Treatment (IET-AD)
<ul style="list-style-type: none"> Follow-Up After Emergency Department Visit for Substance Use: Age 18 and Older (FUA-AD)
<ul style="list-style-type: none"> Follow-Up After Hospitalization for Mental Illness: Ages 18 and older (FUH-AD)
<ul style="list-style-type: none"> Follow-up after Emergency Department Visit for Mental Illness: Age 18 and Older (FUM-AD)
<ul style="list-style-type: none"> Use of Pharmacotherapy for Opioid Use Disorder (OUD-AD)

Closing

States and others are encouraged to visit the Performance Measurement page on Medicaid.gov for TA resources on Core Set reporting.³⁴ States can also submit questions or request TA for reporting the Child and Adult Core Sets by sending an email to MACQualityTA@cms.hhs.gov.

Please note that CMS is issuing this guidance on the 2027 Child and Adult Core Set mandatory reporting requirements early to give states' sufficient time to prepare. However, if public health issues with applicable quality measures emerge in the interim or if there are significant changes to measure specifications, or the retirement of existing measures on the Core Sets, CMS may ask the workgroup to consider recommending additional changes to the 2027 Core Set.

If you have questions about this SHO letter, please contact Deirdra Stockmann, Director, Division of Quality and Health Outcomes, at deirdra.stockmann@cms.hhs.gov.

Sincerely,

/s/

Dan Brillman
Deputy Administrator, CMS
Director, Center for Medicaid and
CHIP Services (CMCS)

³⁴ <https://www.medicaid.gov/medicaid/quality-of-care/performance-measurement/adult-and-child-health-care-quality-measures/index.html>