

April 9, 2026

# State and Federal Tools for Ensuring Accountability of Medicaid Managed Care Plans

*Review of recommendations and draft chapter for June report*

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Holly Saltrelli and Chris Park



Medicaid and CHIP Payment and Access Commission

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# Overview

- Background
- Challenges in oversight and accountability
- Recommendations
- Next steps



# Background

- Managed care is the predominant delivery system in Medicaid
- Our work examined the accountability tools available to states and Centers for Medicare & Medicaid Services (CMS), which tools are used, and whether additional tools are needed
- While states generally reported having sufficient tools to oversee plan performance, there are opportunities to improve the completeness and usability of managed care performance data

# Challenges in oversight and accountability

- CMS has broad authority to oversee state managed care programs but limited tools to address specific deficiencies
- Inconsistent and incomplete Managed Care Program Annual Report (MCPAR) data limits usability
  - MCPAR reporting appears to undercount the actual use of accountability actions
  - State variance in MCPAR reporting reflects unclear definitions of what should be reported (e.g., informal interventions)
- Managed care performance data are siloed across multiple reporting systems and are difficult to access and compare

# Proposed Recommendations

## Recommendation 3.1

*The Secretary of the U.S. Department of Health and Human Services should direct the Centers for Medicare & Medicaid Services to provide guidance on the types of accountability actions, such liquidated damages, informal interventions, and other accountability actions, taken in response to plan noncompliance, that should be reported in the sanctions section of the Managed Care Program Annual Report pursuant to 42 CFR 438.66(e)(2)(viii).*

## Recommendation 3.1: Rationale

- States should report the results of any sanctions, corrective action plans (CAPs), or other formal or informal intervention with a contracted plan to improve performance on the MCPAR
  - Our analysis showed evidence of inconsistent reporting, such as liquidated damages
  - States commonly use informal accountability actions before escalating to formal sanctions, but it is unclear which of these informal interventions should be reported
- Guidance would clarify which types of accountability actions should be reported and how to report them consistently
  - More standardized and consistent reporting would allow for better understanding of how states use accountability tools and more comparable plan comparisons
  - CMS should determine a threshold for reporting informal interventions to balance capturing notable communications and actions while minimizing state burden
- Recommendation builds on MACPAC's March 2024 recommendations on MCPAR data quality for denials and appeals

## Recommendation 3.1: Implications

- **Federal:** The Congressional Budget Office (CBO) does not estimate any change in federal direct spending
- **States:** Minimal added burden; focuses on how to report data already being collected
  - Some states may need to adjust their internal tracking systems or processes to ensure they are capturing all required information consistently
- **Enrollees:** Improved transparency on how states hold plans accountable for performance
- **Plans:** No direct reporting burden, but there may be indirect effects if states request additional documentation
- **Providers:** Benefit from complete and publicly accessible information on plan performance to inform contracting decisions

## Recommendation 3.2

*The Secretary of the U.S. Department of Health and Human Services should direct the Centers for Medicare & Medicaid Services to develop a publicly available database on managed care plan performance that links federally mandated reported data together to facilitate analysis. CMS should also issue guidance and toolkits to help states effectively use these data to assess past performance, improve beneficiary experience, and oversee managed care plans.*

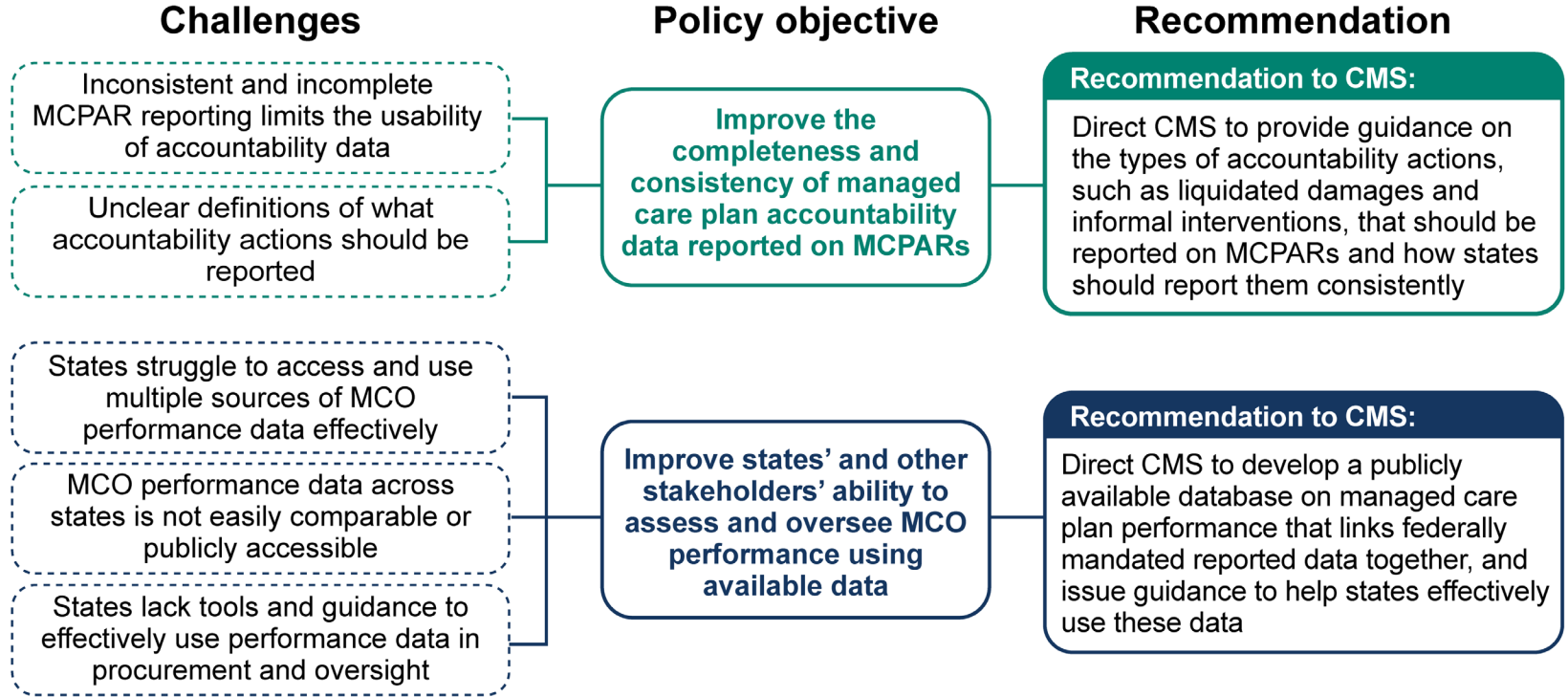
## Recommendation 3.2: Rationale

- States currently struggle to access and use multiple sources of plan performance data effectively
- Combining information across different federal reports would provide additional context and a more holistic view of plan performance
- CMS developed a Medicaid Data Collection Tool to collect data from MCPARs, Network Adequacy and Access Assurances Reports, and medical loss ratio reports
  - This database is not available to the public, but CMS could build upon this structure to develop a comprehensive public-facing database or dashboard for states and enrollees
- This option would build upon MACPAC's prior March 2025 recommendation on external quality review

## Recommendation 3.2: Implications

- **Federal:** CBO does not estimate any change in federal direct spending
- **States:** Would provide states with a more complete and standardized understanding of plan performance
  - No additional reporting burden for states, and use of toolkits would be voluntary
- **Enrollees:** Improved ability for beneficiaries to assess plan performance and make informed decisions during plan selection
- **Plans:** No direct change in reporting; combined data provides additional context and more complete picture of performance
- **Providers:** Benefit from complete and publicly accessible information on plan performance to inform contracting decisions

# Summary of Proposed Recommendations



## Next Steps

- Vote on recommendations tomorrow
- Finalize chapter for June report to Congress
- Continue to examine Medicaid managed care oversight and accountability

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