

**DEPARTMENT OF HEALTH & HUMAN SERVICES**  
**Centers for Medicare & Medicaid Services**



**Center for Medicaid and State Operations**  
**7500 Security Boulevard**  
**Baltimore, MD 21244-1850**

May 26, 1998

Dear State Medicaid Director:

The purpose of this letter is to update you on Medicaid statistical reporting changes for Federal fiscal year (FFY) 1999 and to provide you with technical materials you will need to begin implementing those changes. This letter and the enclosures also include the information needed by the State to develop the reporting application which is due to the Health Care Financing Administration (HCFA) by September 30, 1998.

The Medicaid Statistical Information System (MSIS) is currently an optional electronic reporting alternative to the hard-copy HCFA-2082 Report on eligibles, recipients, and services. MSIS consists of quarterly eligibility and claims tape submittals to HCFA in a standard format. The Balanced Budget Act of 1997 (BBA) requires that all States participate in the MSIS reporting system by January 1, 1999.

We have sought input from a broad cross-section of State staff, Federal program and technical staff, and researchers to develop updated specifications for MSIS. We believe that the modified system defined by the enclosed specifications represents a realistic balance of information needs and resource demands, and that this system will serve a wide range of purposes for years to come.

This letter includes three important enclosures that will provide State systems and program staff with the information needed to begin planning and developing the MSIS reporting system. These enclosures are:

An Updated MSIS Participation Guide and Application Form This document describes the MSIS implementation process, defines State documentation needed, and provides an application form for State use in organizing and submitting this information. Because of updates to the system for FFY 1999, all States, including those already participating in MSIS, must ensure that we have complete and current documentation. We therefore ask that all States submit a new application, and that the required attachments from current MSIS States be updated if any changes from the most recent documentation supplied to HCFA have occurred.

Applications are due to HCFA by September 30, 1998 but we encourage States to contact us during the early stages of implementation planning.

A Crosswalk of the MSIS Fields For FFYs 1998 to 1999 This crosswalk summarizes the differences in the field definitions from the FFY 1998 and FFY 1999 versions of MSIS. This summary lists the field names for each MSIS file, by year, and indicates the nature of any changes from year to year. The changes are categorized as new, renamed, or deleted fields, and whether fields have new coding or formatting.

A Complete MSIS Data Dictionary For FFY 1999 Reporting This document includes the complete system and file specifications for MSIS, and definitions and specifications for each required data element.

We recognize the significance of the required State effort and the short time frames for implementation, and hope to provide ongoing technical information and support needed by the States. In order to facilitate prompt responses to State implementation questions, we have established E-mail and phone response lines. Questions may be directed to the following contact points:

E-Mail -[msis@hcfa.gov](mailto:msis@hcfa.gov) Phone - (410)786-1600

The MSIS specifications define all data elements to be included on the tape submittals. Where States do not

have specific data elements available, we ask that you highlight these issues in the areas provided on the application. In some cases these data elements are simply not relevant to the State Medicaid system. In other cases where data elements are needed, but not readily available, we will work with States to discuss barriers to availability and a time line to develop the necessary data sources.

In addition, BBA now requires that States with capitated encounter service records in their Medicaid Management Information System include those records in their MSIS claims files. We recognize that there are a wide range of issues associated with the availability and completeness of these data, and will work with States on an individual basis to develop a framework and procedures for their inclusion.

We believe these changes, and the national implementation of MSIS, will improve the understanding and management of the Medicaid program. We are working to develop data quality and program information outputs from MSIS which will serve a broad range of needs. In order to make these tools as effective as possible, we need to have State input on desirable outputs.

We strongly encourage State staff to contact us so that we can begin working together on MSIS implementation. We have informally forwarded the attached technical materials to our ongoing State contacts for Medicaid reporting in an effort to facilitate planning. Please refer any questions on MSIS implementation or the preparation of the application form to the E-Mail and phone numbers provided above, or to Roger Buchanan of my staff at (410) 786-0780.

Sincerely,

/s/

Sally K. Richardson  
Director  
Center for Medicaid and State Operations

Enclosures

cc: All Regional Administrators All Associate Regional Administrators, Division of Medicaid and State Operations Lee Partridge, American Public Welfare Association

Joy Wilson, National Conference of State Legislatures Jennifer Baxendell, National Governors Association