

PE – Compliance Management					
Identify Utilization Anomalies					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
Business Capability Descriptions					
How integrated is the process?	There is little coordination between the portions of SMA responsible for identification of utilization anomalies.	SMA has central common processes to achieve economies of scale and increase coordination.	SMA fully integrates the process within SMA with MITA Framework, and uses industry standards for electronic interchanges between agencies and other entities.	SMA fully integrates the process to the extent possible across the interstate.	SMA fully integrates the process to the extent possible across the nation.
Is the process primarily manual or automatic?	The process consists primarily of manual paper-based activity to accomplish tasks. SMA enters parameters for identification of cases manually. Exception processing is automatic.	SMA uses a mix of manual and automatic processes to accomplish tasks for case identification.	SMA automates process to the full extent possible within the intrastate.	SMA automates process to the full extent possible across the interstate.	SMA automates process to the full extent possible across the nation.
Does the State Medicaid Agency use standards in	SMA focuses on meeting compliance thresholds for state and federal regulations	SMA applies a mix of HIPAA and state-specific standards.	SMA adopts MITA Framework, industry standards, and other nationally recognized	SMA adopts MITA Framework, industry standards, and other nationally recognized	SMA adopts MITA Framework, industry standards, and other nationally recognized

PE – Compliance Management					
Identify Utilization Anomalies					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
the process?	using state-specific standards.		standards for intrastate exchange of information.	standards for clinical and interstate information exchange.	standards for national exchange of information.
How does the State Medicaid Agency collaborate with other agencies or entities in performing the process?	Very little collaboration occurs with other agencies to standardize information exchange or business tasks.	SMA collaborates with other agencies and entities to adopt HIPAA standards and Electronic Data Interchange (EDI) transactions.	SMA collaborates with other intrastate agencies and entities to adopt national standards, and to develop and share reusable business services.	SMA collaborates with other interstate agencies and entities to adopt national standards, and to develop and share reusable processes including clinical information.	SMA collaborates with agencies and entities for national (and international) interoperability improvements that maximize automation of routine operations.
Business Capability Quality: Timeliness of Process					
How timely is the end-to-end process?	Process meets threshold or mandated requirements for timeliness (i.e., the process achieves results within the time specified by law or regulation).	Process timeliness improves through use of automation. Timeliness exceeds legal requirements.	Timeliness improves via state and federal collaboration, use of information sharing, standards, and regional Health Information Exchange (HIE) and Health Insurance Exchange (HIX). SMA uses automatic	Information is available in near real time. Processes that use clinical information result in immediate action, response, and results. SMA has interstate interoperability, which further	Information is available in real time. Processes improve further through connectivity with other States and with federal agencies. Most processes execute at the point of service. Results are almost

PE – Compliance Management					
Identify Utilization Anomalies					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
			parameters, pattern recognition, and other tools to identify qualifying cases and provide faster turnaround. Standard, large volume processes require 24 hours or less. SMA executes a review in 60 seconds or less per request.	improves timeliness over Level 3.	immediate.
Business Capability Quality: Data Access and Accuracy					
How accurate is the information in the process?	Use of direct data entry for information collection is manually intensive and susceptible to inconsistent or incorrect information. Stakeholders are unable to rely on information for decision-making.	HIPAA standard transactions improve accuracy of information but the decision-making process may be erroneous or misleading. Accuracy is higher than at Level 1.	Automation of information collection increases the reliability of SMA's internal information. External sources of information use MITA Framework and industry standards for information exchange. Decision-making is automatic	Automation of information collection increases the reliability of SMA's internal and external sources of information. SMA adopts MITA Framework and industry standards for information exchange with	SMA adopts MITA Framework and industry standards for information exchange with national agencies. Decision-making is automatic using national standardized business rules definitions. Accuracy rating is at 99% or

PE – Compliance Management					
Identify Utilization Anomalies					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
			using standardized business rules definitions. Accuracy rating is at 99% or higher.	interstate agencies. Decision-making is automatic using regional standardized business rules definitions. Accuracy rating is at 99% or higher.	higher.
How accessible is the information in the process?	SMA stores information in disparate systems including paper storage and obtains information manually.	SMA stores information in disparate systems, but automation and HIPAA standards increase accessibility over Level 1.	SMA obtains information easily and exchanges with intrastate agencies and entities based on MITA Framework and industry standards. Accessibility is greater than Level 2.	SMA obtains information easily and exchanges with interstate agencies and entities. Accessibility is greater than Level 3.	SMA obtains information easily and exchanges with national agencies and entities. Accessibility is greater than Level 4.
Business Capability Quality: Cost-Effectiveness					
What is the cost of the process compared to the benefits of its results?	High relative cost due to low number of automatic, standardized tasks.	Automation improves process and allows focus on exception resolution, improving cost effectiveness ratio over Level 1.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards further improving cost	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for interstate information	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national (and

PE – Compliance Management					
Identify Utilization Anomalies					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
			effectiveness ratio over Level 2.	exchange. SMA increases cost effectiveness ratio over Level 3.	international) information exchange. SMA increases cost effectiveness ratio over level 4.
Business Capability Quality: Effort to Perform; Efficiency					
How efficient is the process?	Process is labor intensive. There is wasted effort or expense to accomplish tasks. Process meets minimum state process guidelines and SMA performance standards. Efficiency is low.	Automation and state standards increase productivity. Efficiency is higher than Level 1.	SMA adopts MITA Framework, industry standards and information exchange with intrastate agencies and entities improving efficiency to 95% or higher.	SMA adopts MITA Framework, industry standards and information exchange with interstate agencies and entities improving efficiency to 98% or higher.	SMA adopts MITA Framework, industry standards and information exchange with national agencies and entities improving efficiency to 98% or higher.
Business Capability Quality: Accuracy of Process Results					
How accurate are the results of the process?	Manual processes result in greater opportunity for human error. Accuracy is low.	Automation and standardized business rules definitions reduce error and improve accuracy above	SMA adopts MITA Framework, industry standards and information exchange with intrastate agencies and entities	SMA adopts MITA Framework, industry standards and information exchange with interstate agencies and entities	SMA adopts MITA Framework, industry standards and information exchange with national agencies and entities

PE – Compliance Management					
Identify Utilization Anomalies					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
		Level 1.	improving accuracy to 90% or higher.	improving accuracy to 98% or higher.	improving accuracy to 98% or higher.
Business Capability Quality: Utility or Value to Stakeholders					
Does the business process satisfy stakeholders?	Stakeholders lack confidence in information negatively affecting stakeholder satisfaction with the process.	Automation and standardization provides clear and useful information. Stakeholder satisfaction is greater than Level 1.	SMA adopts MITA Framework, industry standards and information exchange with intrastate agencies and entities improving stakeholder satisfaction to 90% or higher. SMA uses survey or questionnaire for information collection.	SMA adopts MITA Framework, industry standards and information exchange with interstate agencies and entities improving stakeholder satisfaction to 95% or higher.	SMA adopts MITA Framework, industry standards and information exchange with national agencies and entities improving stakeholder satisfaction to 98% or higher.