Payment and Reporting

Generate Remittance Advice

OM – Payment and Reporting					
Generate Remittance Advice					
Capability Question	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**
Business Capability Descriptions					
Is the process primarily manual or automatic?	The process consists primarily of manual paper-based activity to accomplish tasks. Remittance Advice uses SMA specific format and data content and a mix of manual and automatic processes	SMA uses a mix of manual and automatic processes to accomplish tasks. SMA continues to provide paper RAs to some providers.	SMA automates process to the full extent possible within the intrastate. All Providers and encounter submitters receive electronic transactions with some exceptions.	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 the process?	SMA focuses on meeting compliance thresholds for state and federal regulations using state-specific standards.	SMA applies a mix of HIPAA and state-specific standards.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for intrastate exchange of information.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for clinical and interstate information	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national exchange of information.

OM – Payment and Reporting

Generate Remittance Advice

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
				exchange.	
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 information exchange hubs. Timeliness exceeds Level 2.	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 improves timeliness over Level	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 immediate.

OM – Payment and Reporting					
Generate Remittance Advice					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
				3.	
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 using standardized business rules definitions. Accuracy rating is at 99% or higher.	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 interstate agencies. Decision-making is automatic using regional standardized business rules definitions. Accuracy rating is at 99% or higher.	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 higher.

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Generate Remittance Advice

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
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 effectiveness ratio over Level 2.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for interstate information exchange. SMA increases cost effectiveness ratio over Level 3.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national (and international) information exchange. SMA increases cost effectiveness ratio over level 4.

OM – Payment and Reporting

Generate Remittance Advice

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
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 Level 1.	SMA adopts MITA Framework, industry standards and information exchange with intrastate agencies and entities improving accuracy	SMA adopts MITA Framework, industry standards and information exchange with interstate agencies and entities improving accuracy to	SMA adopts MITA Framework, industry standards and information exchange with national agencies and entities improving accuracy

OM – Payment and Reporting

Generate Remittance Advice

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
			to 90% or higher.	98% or higher.	to 98% or higher.

Business Capability Quality: Utility or Value to Stakeholders

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
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.

Inquire Payment Status

OM – Payment and Reporting

Inquire Payment Status

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
Business Capability Descriptions					
Is the process primarily manual or automatic?	The process consists primarily of manual paper-based activity to accomplish tasks. SMA associates inquiry with a specific claim document.	SMA uses a mix of manual and automatic processes to accomplish tasks. Automated Voice Response systems, direct data entry, web enabled direct data entry, point of service devices for electronic claim status responses, and submission of HIPAA Accredited Standards Committee (ASC) X12 transactions.	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 the process?	SMA focuses on meeting compliance thresholds for state and federal regulations using state-specific standards.	SMA applies a mix of HIPAA and state-specific standards.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for intrastate exchange of information.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for payment status and interstate information exchange.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national exchange of information.
How integrated is the process?	Depending on the type of claim, providers should	SMA begins to centralize the process providing a more	SMA fully integrates the process to the extent possible	SMA fully integrates the process to the extent possible	SMA fully integrates the process to the extent possible

OM – Payment and Reporting

Inquire Payment Status

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
	contact different portions of the organization (e.g. provider call center, pharmacy call center, waiver programs).	central point of access for all types of claims.	across the intrastate.	across the interstate.	across the nation.
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

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
How timely is the end-to-end process?	Process meets threshold or mandated requirements for timeliness (i.e., the process achieves	Process timeliness improves through use of automation. Timeliness exceeds legal requirements. Process completes in	Timeliness improves via state and federal collaboration, use of information sharing, standards, and regional information	Information is available in near real time. Processes that use clinical information result in immediate action,	Information is available in real time. Processes improve further through connectivity with other States and with

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OM – Payment and Reporting

Inquire Payment Status

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
	results within the time specified by law or regulation). Process completes in two (2) business days.	one (1) business day or less.	exchange hubs. Timeliness exceeds Level 2.	response, and results. SMA has interstate interoperability, which further improves timeliness over Level 3.	federal agencies. Most processes execute at the point of service. Results are almost immediate.

Business Capability Quality: Data Access and Accuracy

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
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 using standardized business rules definitions. Accuracy rating is at 99% or	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 interstate agencies. Decision-making is automatic using regional standardized business rules	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 higher.

OM – Payment and Reporting

Inquire Payment Status

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
			higher.	definitions. Accuracy rating is at 99% or 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 international)

OM – Payment and Reporting					
Inquire Payment Status					
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.	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.	Automation and standardized business rules definitions reduce	SMA adopts MITA Framework, industry standards and information exchange	SMA adopts MITA Framework, industry standards and information exchange	SMA adopts MITA Framework, industry standards and information exchange

OM – Payment and Reporting

Inquire Payment Status

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
	Accuracy is low.	error and improve accuracy above Level 1.	with intrastate agencies and entities improving accuracy to 90% or higher.	with interstate agencies and entities improving accuracy to 98% or higher.	with national agencies and entities 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.

Prepare Provider Payment

OM – Payment and Reporting				
Prepare Provider Payment				
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4 & 5*	*Level 5*
Business Capability Descriptions				
Is the process primarily manual or automatic?	The process consists primarily of manual paper-based activity to accomplish tasks.	SMA uses a mix of manual and automatic processes to accomplish tasks.	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 the process?	SMA focuses on meeting compliance thresholds for state and federal regulations using state-specific standards.	SMA applies a mix of HIPAA and state-specific standards.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for intrastate exchange of information.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for clinical and interstate information exchange.	SMA adopts MITA Framework, industry standards, and other nationally recognized 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	SMA collaborates with other interstate agencies and entities to adopt national standards, and to develop and share reusable processes including clinical	SMA collaborates with agencies and entities for national (and international) interoperability improvements that maximize automation

OM – Payment and Reporting				
Prepare Provider Payment				
Capability Question	**Level 1**	**Level 2**	**Level 3**	**Level 4 & 5**	**Level 5**
			services.	information.	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). The process requires 30 or more business days to complete.	Process timeliness improves through use of automation. Timeliness exceeds legal requirements. Process completes within weeks, rather than months.	Timeliness improves via state and federal collaboration, use of information sharing, standards, and regional information exchange hubs. Timeliness exceeds Level 2. The process takes fewer than 60 seconds to complete.	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 improves timeliness over Level 3.	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 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.	HIPAA standard transactions improve accuracy of information but the decision-making process may be erroneous or	Automation of information collection increases the reliability of SMA's internal information. External sources of information use MITA	Automation of information collection increases the reliability of SMA's internal and external sources of information. SMA	SMA adopts MITA Framework and industry standards for information exchange with national agencies. Decision-making is

OM – Payment and Reporting					
Prepare Provider Payment					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4 & 5*	*Level 5*
	Stakeholders are unable to rely on information for decision-making.	misleading. Accuracy is higher than at Level 1.	Framework and industry standards for information exchange. Decision-making is automatic using standardized business rules definitions. Accuracy rating is at 99% or higher.	adopts MITA Framework and industry standards for information exchange with interstate agencies. Decision-making is automatic using regional standardized business rules definitions. Accuracy rating is at 99% or higher.	automatic using national standardized business rules definitions. Accuracy rating is at 99% or higher.
How accessible is the information in the process?	SMA stores information in disparate systems including paper storage and obtains information manually. Data access may take up to 30 business days.	SMA stores information in disparate systems, but automation and HIPAA standards increase accessibility over Level 1. Data access may take three (3) to seven (7) hours.	SMA obtains information easily and exchanges with intrastate agencies and entities. 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.

OM – Payment and Reporting

Prepare Provider Payment

Capability Question	Level 1	Level 2	Level 3	Level 4 & 5	Level 5
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 effectiveness ratio over Level 2.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for interstate information exchange. SMA increases cost effectiveness ratio over Level 3.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national (and 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	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.

OM – Payment and Reporting

Prepare Provider Payment

Capability Question	Level 1	Level 2	Level 3	Level 4 & 5	Level 5
	performance standards. Efficiency is low.				
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 Level 1.	SMA adopts MITA Framework, industry standards and information exchange with intrastate agencies and entities improving accuracy to 90% or higher.	SMA adopts MITA Framework, industry standards and information exchange with interstate agencies and entities improving accuracy to 98% or higher.	SMA adopts MITA Framework, industry standards and information exchange with national agencies and entities 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	SMA adopts MITA Framework, industry standards and information exchange with interstate agencies and entities improving stakeholder satisfaction to 95% or	SMA adopts MITA Framework, industry standards and information exchange with national agencies and entities improving stakeholder satisfaction to 98% or

OM – Payment and Reporting					
Prepare Provider Payment					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4 & 5*	*Level 5*
			questionnaire for information collection.	higher.	higher.

Manage Data

OM – Payment and Reporting					
Manage Data					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
Business Capability Descriptions					
Is the process primarily manual or automatic?	SMA has no automatic activity to accomplish Extract, Transform and Load (ETL) tasks.	SMA uses a mix of manual and automatic ETL processes to accomplish tasks.	SMA automates ETL process to the full extent possible within the intrastate.	SMA automates process to the full extent possible, across the interstate. SMA includes clinical information in the process.	SMA automates process to the full extent possible across the nation.
Does the State Medicaid Agency	SMA focuses on meeting compliance	SMA applies a mix of industry and state-	SMA adopts MITA Framework, industry	SMA adopts MITA Framework, industry	SMA adopts MITA Framework, industry

OM – Payment and Reporting					
Manage Data					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
use standards in the process?	thresholds for state and federal regulations using state-specific standards.	specific standards.	standards, and other nationally recognized standards for intrastate exchange of information.	standards, and other nationally recognized standards for clinical and interstate information exchange.	standards, and other nationally recognized 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 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	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 information exchange hubs. Timeliness exceeds	Information is available in near real time. Processes that use clinical information result in immediate action, response, and results. SMA has	Information is available in real time. Processes improve further through connectivity with other States and with federal agencies. Most processes

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OM – Payment and Reporting					
Manage Data					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
	regulation).		Level 2.	interstate interoperability, which further improves timeliness over Level 3.	execute at the point of service. Results are almost 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.	Industry 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 industry standards for information exchange. Accuracy rating is at 99% or higher.	Automation of information collection increases the reliability of SMA's internal and external sources of information. SMA uses industry standards for information exchange with interstate agencies. Accuracy rating is at 99% or higher.	SMA uses industry standards for information exchange with national agencies. Accuracy rating is at 99% or higher.
How accessible is the information in the process?	SMA stores information in disparate systems including paper	SMA stores information in disparate systems, but automation and	SMA obtains information easily and exchanges with intrastate agencies	SMA obtains information easily and exchanges with interstate agencies	SMA obtains information easily and exchanges with national agencies

OM – Payment and Reporting					
Manage Data					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
	storage and obtains information manually.	industry standards increase accessibility over Level 1.	and entities based on industry standards. Accessibility is greater than Level 2.	and entities. Accessibility is greater than Level 3.	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 effectiveness ratio over Level 2.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for interstate information exchange. SMA increases cost effectiveness ratio over Level 3.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national (and 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	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	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

OM – Payment and Reporting					
Manage Data					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
	minimum state process guidelines and SMA performance standards. Efficiency is low.		improving efficiency to 95% or higher.	improving efficiency to 98% or higher.	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 Level 1.	SMA adopts MITA Framework, industry standards, and information exchange with intrastate agencies and entities improving accuracy to 90% or higher.	SMA adopts MITA Framework, industry standards, and information exchange with interstate agencies and entities improving accuracy to 98% or higher.	SMA adopts MITA Framework, industry standards, and information exchange with national agencies and entities improving accuracy to 98% or higher.
Business Capability Quality: Utility or Value to Stakeholders					
Does the business process satisfy	Stakeholders lack confidence in	Automation and standardization	SMA adopts MITA Framework, industry	SMA adopts MITA Framework, industry	SMA adopts MITA Framework, industry

OM – Payment and Reporting					
Manage Data					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
stakeholders?	information negatively affecting stakeholder satisfaction with the process.	provides clear and useful information. Stakeholder satisfaction is greater than Level 1.	standards and information exchange with intrastate agencies and entities improving stakeholder satisfaction to 90% or higher. SMA uses survey or questionnaire for information collection.	standards and information exchange with interstate agencies and entities improving stakeholder satisfaction to 95% or higher.	standards and information exchange with national agencies and entities improving stakeholder satisfaction to 98% or higher.

Claims Adjudication

Process Claim

OM – Claims Adjudication					
Process Claim					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
Business Capability Descriptions					
Is the process primarily manual or automatic?	The process consists primarily of manual paper-based activity to accomplish tasks. SMA scans or manually enters claims into an electronic record format.	SMA uses a mix of manual and automatic processes to accomplish tasks. SMA continues to accept paper claims, but most providers submit claims electronically.	SMA automates process to the full extent possible within the intrastate. Providers submit claims electronically. SMA adjudicates claims via standardized business rules definitions according to methodologies of the National Correct Coding Initiative (NCCI).	SMA automates process to the full extent possible via regional standardized business rules definitions.	SMA automates process to the full extent possible across the nation via national standardized business rules definitions.

OM – Claims Adjudication

Process Claim

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
Does the State Medicaid Agency use standards in the process?	SMA focuses on meeting compliance thresholds for state and federal regulations using state-specific standards.	SMA applies a mix of HIPAA Accredited Standards Committee (ASC) X12 837 Health Care Claim and National Council for Prescription Drug Programs (NCPDP) and state-specific standards.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards (e.g., code sets) for claim processing.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for clinical and interstate claim processing.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national claim processing.
How integrated is the process?	There is little coordination between the portions of SMA responsible for claims processing.	SMA centralizes common processes to achieve economies of scale and increase coordination.	SMA fully integrates process between intrastate agencies and other entities.	SMA integrates process to the full extent possible across the interstate.	SMA integrates process to the full extent possible across the nation.
How easy is it to change edit business rules and criteria?	SMA embeds business rules and validations directly into the source code. Changes are difficult, lengthy, and costly to implement.	SMA has mix of automatic business rules definitions and embedded business rules and validation directly into the source code. Changes to edits, audits and pricing	SMA automates process to the full extent possible across the intrastate. Related processes are decoupled, allowing changes to editing, auditing and pricing standardized	SMA automates process to the full extent possible by using regional standardized business rules definitions. Average changes take less time than	SMA automates process to the full extent possible by using national standardized business rules definitions. Average changes take less time than

OM – Claims Adjudication					
Process Claim					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
		business rules results in unintended downstream processing consequences. Average change takes fewer business days than Level 1.	business rules definitions without affecting downstream processes. Average changes take less time than Level 2.	Level 3.	Level 4.
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	Process timeliness improves through use of automation. Timeliness exceeds legal requirements. Electronic claim	Timeliness improves via state and federal collaboration, use of information sharing, standards, and regional information	Information is available in near real time. Processes that use clinical information result in immediate action,	Information is available in real time. Processes improve further through connectivity with other States and with

OM – Claims Adjudication					
Process Claim					
Capability Question	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**
	results within the time specified by law or regulation). Manual-processing steps may require multiple business days to complete claims edits, audits, or pricing. Suspended claims require lengthy manual resolution.	processing and Point of Sale (POS) adjudication greatly increase timeliness. The entire claim process completes within 24 hours or less.	exchange hubs. Timeliness exceeds Level 2.	response, and results. SMA has interstate interoperability, which further improves timeliness over Level 3.	federal agencies. Most processes execute at the point of service. Results are almost 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. It is difficult for reviewers to consistently	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 using standardized	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 interstate agencies. Decision-	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

OM – Claims Adjudication

Process Claim

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
	interpret and apply adjudication business rules manually. Attachment data is unstructured, which increases inconsistency of the review process.		business rules definitions. Accuracy rating is at 99% or higher.	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	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 international)

OM – Claims Adjudication					
Process Claim					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
		ratio over Level 1.	effectiveness ratio over Level 2.	exchange. SMA increases cost effectiveness ratio over Level 3.	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, by intrastate agencies and entities improving efficiency to 95% or higher.	SMA adopts MITA Framework, industry standards, by interstate agencies and entities improving efficiency to 98% or higher.	SMA adopts MITA Framework, industry standards, by 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	Automation and standardized business rules definitions reduce	SMA adopts MITA Framework, industry standards, and business rules	SMA adopts MITA Framework, industry standards, and business rules	SMA adopts MITA Framework, industry standards, and business rules

OM – Claims Adjudication					
Process Claim					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
	low.	error and improve accuracy above Level 1.	engines by intrastate agencies and entities improving accuracy to 90% or higher.	engines by interstate agencies and entities improving accuracy to 98% or higher.	engines, by national agencies and entities 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, by 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, by interstate agencies and entities improving stakeholder satisfaction to 95% or higher.	SMA adopts MITA Framework, industry standards, by national agencies and entities improving stakeholder satisfaction to 98% or higher.

Process Encounter

OM – Claims Adjudication					
Process Encounter					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
Business Capability Descriptions					
Is the process primarily manual or automatic?	The process consists primarily of manual paper-based activity to accomplish tasks. SMA scans or manually enters encounters into an electronic record format.	SMA uses a mix of manual and automatic processes to accomplish tasks. SMA continues to accept paper encounters, but most managed care organizations submit encounters electronically.	SMA automates process to the full extent possible within the intrastate. Managed care organizations and any other external processor (e.g., Pharmacy Benefits Management (PBM), mental health, dental or other agencies) submit all encounters electronically. SMA adjudicates encounters via standardized business rules definitions according to methodologies of the National Correct Coding Initiative	SMA automates process to the full extent possible via regional standardized business rules definitions.	SMA automates process to the full extent possible via national standardized business rules definitions.

OM – Claims Adjudication

Process Encounter

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
			(NCCI).		
Does the State Medicaid Agency use standards in the process?	SMA focuses on meeting compliance thresholds for state and federal regulations using state-specific standards.	SMA applies a mix of HIPAA Accredited Standards Committee (ASC) X12 837 Health Care Claim and National Council for Prescription Drug Programs (NCPDP) and state-specific standards. SMA receives encounter information electronically or via web sites.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards (e.g., code sets) for encounter processing.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for interstate encounter processing.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national encounter processing.
How integrated is the process?	There is little coordination between the portions of SMA responsible for encounter processing.	SMA centralizes common processes to achieve economies of scale and increase coordination.	SMA fully integrates process between intrastate agencies and other entities.	SMA integrates process to the full extent possible across the interstate.	SMA integrates process to the full extent possible across the nation.
How easy is it to change edit business rules and	SMA embeds business rules and validations directly	SMA has mix of automatic business rules definitions and	SMA automates process to the full extent possible	SMA automates process to the full extent possible by	SMA automates process to the full extent possible by

OM – Claims Adjudication					
Process Encounter					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
criteria?	into the source code. Changes are difficult, lengthy, and costly.	embedded business rules and validation directly into the source code. Changes to edits, audits and pricing business rules results in unintended downstream processing consequences. Average change takes fewer business days than Level 1.	across the intrastate. Related processes are decoupled, allowing changes in the editing, auditing and pricing standardized business rules definitions without affecting downstream processes. Average changes take less time than Level 2.	using regional standardized business rules definitions.	using national standardized business rules definitions.
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.

OM – Claims Adjudication					
Process Encounter					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
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). Manual processing steps may require multiple business days to complete encounter editing, auditing, or pricing. Suspended encounters require lengthy manual resolution.	Process timeliness improves through use of automation. Timeliness exceeds legal requirements. Electronic encounter processing and point-of-sale adjudication greatly increase timeliness. The entire encounter process completes within 24 hours or less.	Timeliness improves via state and federal collaboration, use of information sharing, standards, and regional information exchange hubs. Timeliness exceeds Level 2.	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 improves timeliness over Level 3.	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 immediate.
Business Capability Quality: Data Access and Accuracy					

OM – Claims Adjudication

Process Encounter

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
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. It is difficult for reviewers to consistently interpret and apply adjudication business rules manually. Unstructured attachment data increases inconsistency of the review process.	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 using standardized business rules definitions. Accuracy rating is at 99% or higher.	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 interstate agencies. Decision-making is automatic using regional standardized business rules definitions. Accuracy rating is at 99% or higher.	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 higher.
How accessible is the information in the process?	SMA stores information in disparate systems including paper storage and obtains	SMA stores information in disparate systems, but automation and HIPAA standards	SMA obtains information easily and exchanges with intrastate agencies and entities based on	SMA obtains information easily and exchanges with interstate agencies and entities.	SMA obtains information easily and exchanges with national agencies and entities.

OM – Claims Adjudication

Process Encounter

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
	information manually.	increase accessibility over Level 1.	MITA Framework and industry standards. Accessibility is greater than Level 2.	Accessibility is greater than Level 3.	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 effectiveness ratio over Level 2.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for interstate information exchange. SMA increases cost effectiveness ratio over Level 3.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national (and 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	Automation and state standards increase productivity. Efficiency is higher than Level 1.	SMA adopts MITA Framework, industry standards, by intrastate agencies and entities improving efficiency	SMA adopts MITA Framework, industry standards, by interstate agencies and entities improving efficiency	SMA adopts MITA Framework, industry standards, by national agencies and entities improving efficiency

OM – Claims Adjudication

Process Encounter

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
	minimum state process guidelines and SMA performance standards. Efficiency is low.		to 95% or higher.	to 98% or higher.	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 Level 1.	SMA adopts MITA Framework, industry standards, and standardized business rules definitions by intrastate agencies and entities improving accuracy to 90% or higher.	SMA adopts MITA Framework, industry standards, and regional standardized business rules definitions by interstate agencies and entities improving accuracy to 98% or higher.	SMA adopts MITA Framework, industry standards, and national standardized business rules definitions, by national agencies and entities 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	Automation and standardization provides clear and useful information. Stakeholder	SMA adopts MITA Framework, industry standards, by intrastate agencies and entities	SMA adopts MITA Framework, industry standards, by interstate agencies and entities	SMA adopts MITA Framework, industry standards, by national agencies and entities

OM – Claims Adjudication

Process Encounter

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
	process.	satisfaction is greater than Level 1.	improving stakeholder satisfaction to 90% or higher. SMA uses survey or questionnaire for information collection.	improving stakeholder satisfaction to 95% or higher.	improving stakeholder satisfaction to 98% or higher.

Calculate Spend-Down Amount

Note: Calculate Spend-Down Amount business operations are no longer relevant at Levels 4 and 5 maturities.

OM – Claims Adjudication

Calculate Spend-Down Amount

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
Business Capability Descriptions					
Is the process primarily manual or automatic?	The process consists primarily of manual paper-based activity	SMA uses a mix of manual and automatic processes to accomplish	SMA automates process to the full extent possible within	Maturity level is not applicable.	Maturity level is not applicable.

OM – Claims Adjudication					
Calculate Spend-Down Amount					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
	to accomplish tasks.	tasks.	the intrastate.		
What methodology is used for managing spend down calculations?	The member submits the claims and receipts to SMA. There is a manual process for tallying claim amounts, subtracting disallowed amounts, and determining if member has met the spend down in a given period.	An electronic tally adds member bills and reports on progress toward spend-down threshold.	Members are eligible for Medicaid coverage with a deductible amount equal to their spend-down requirements for the specified period. Spend down is essentially eliminated as a distinct process.	Maturity level is not applicable.	Maturity level is not applicable.
How does the member present proof that it has incurred and/or paid health care bills?	The member submits the claims/bill and/or receipts to SMA.	Members may submit electronic spend-down reports, and either scan, facsimile, or mail health care bills and receipts. SMA keys data into an electronic system. Providers submit claims and system automatically applies to spend down.	SMA uses SMA adopts MITA Framework, industry standards, and other nationally recognized standards for access to Health Information Exchange (HIE) for direct billing to payer.	Maturity level is not applicable.	Maturity level is not applicable.

OM – Claims Adjudication

Calculate Spend-Down Amount

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
How does the State Medicaid Agency track payments for health care bills?	SMA tracks a member's costs for health services by tallying paper bills by staff and receipts until member meets spend-down amount for each period.	An electronic tally adds member's bills and reports on progress toward spend-down threshold. Staff enters information and the system calculates.	SMA tracks deductible until member meets spend-down threshold. System notifies staff and/or claims payment system when member meets spend-down the threshold.	Maturity level is not applicable.	Maturity level is not applicable.
How does the agency determine that the member has met the spend-down target?	Staff applies spend down business rules to decide whether the submitted costs are allowable and in the appropriate period to apply the costs, sometimes resulting in inconsistent determinations or controversy with the member. The process is manual.	SMA tests claims submitted by the member against Medicaid Program payment business rules. SMA identifies services and amounts that Medicaid will not pay.	The deductible calculation is automatic. SMA receives signal when member will soon reach or has reached the spend-down threshold.	Maturity level is not applicable.	Maturity level is not applicable.

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Calculate Spend-Down Amount

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
How does the State Medicaid Agency transmit that the member has met spend-down requirements to the claims payment processes and the provider community?	If member meets the spend-down, staff keys change in eligibility status into the member's record so that provider claims will pay for a specified period. Providers submit denied claims for billing to the member until member meets spend down.	If member meets spend down, staff keys change in eligibility status into the member's record so that subsequent claims will pay for a specified period. Providers have difficulty determining whether the member has met spend-down requirements and the remaining amount the member has to pay before the provider may bill Medicaid.	Providers are able to determine spend down amount when they verify eligibility. SMA automatically adjusts the member's spend-down amount during claims processing.	Maturity level is not applicable.	Maturity level is not applicable.
Does the State Medicaid Agency use standards in the process?	SMA focuses on meeting compliance thresholds for state and federal regulations using state-specific standards.	SMA applies a mix of HIPAA and state-specific standards.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for intrastate exchange of information.	Maturity level is not applicable.	Maturity level is not applicable.
How does the State Medicaid Agency	Very little collaboration occurs	SMA collaborates with other agencies and	SMA collaborates with other intrastate	Maturity level is not applicable.	Maturity level is not applicable.

OM – Claims Adjudication

Calculate Spend-Down Amount

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
collaborate with other agencies or entities in performing the process?	with other agencies to standardize information exchange or business tasks.	entities to adopt HIPAA standards and Electronic Data Interchange (EDI) transactions.	agencies and entities to adopt national standards, and to develop and share reusable business services.		
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 information exchange hubs. Switch to auto-deductible accounting supports real-time reporting of spend down totals. Timeliness exceeds Level 2.	Maturity level is not applicable.	Maturity level is not applicable.
Business Capability Quality: Data Access and Accuracy					
How accurate is the	Use of direct data	HIPAA standard	Automation of	Maturity level is not	Maturity level is not

OM – Claims Adjudication

Calculate Spend-Down Amount

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
information in the process?	entry for information collection is manually intensive and susceptible to inconsistent or incorrect information. Stakeholders are unable to rely on information for decision-making.	transactions improve accuracy of information but the decision-making process may be erroneous or misleading. Accuracy is higher than at Level 1.	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 using standardized business rules definitions. Accuracy rating is at 99% or higher.	applicable.	applicable.
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.	Maturity level is not applicable.	Maturity level is not applicable.

OM – Claims Adjudication

Calculate Spend-Down Amount

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
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. Auto-deductible accounting further improving cost effectiveness ratio over Level 2.	Maturity level is not applicable.	Maturity level is not applicable.
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	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	Maturity level is not applicable.	Maturity level is not applicable.

OM – Claims Adjudication					
Calculate Spend-Down Amount					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
	process guidelines and SMA performance standards. Efficiency is low.		improving efficiency to 95% 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 Level 1.	SMA adopts MITA Framework, industry standards and information exchange with intrastate agencies and entities improving accuracy to 90% or higher.	Maturity level is not applicable.	Maturity level is not applicable.
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	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	Maturity level is not applicable.	Maturity level is not applicable.

OM – Claims Adjudication					
Calculate Spend-Down Amount					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
	process.		improving stakeholder satisfaction to 90% or higher. SMA uses survey or questionnaire for information collection.		

Submit Electronic Attachment

OM – Claims Adjudication					
Submit Electronic Attachment					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
Business Capability Descriptions					
Is the process primarily manual or automatic?	The process consists primarily of manual paper-based activity	SMA uses a mix of manual and automatic processes to	SMA automates process to the full extent possible within	SMA automates process to the full extent possible	SMA automates process to the full extent possible

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Submit Electronic Attachment

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
	to accomplish tasks.	accomplish tasks.	the intrastate.	across the interstate.	across the nation.
How is clinical information requested and received when this information is required to process a transaction (claim, service authorization request, treatment plan) or for other processes?	SMA requests medical and dental records via telephone or mail and responder delivers copies in paper format (including X-rays) via mail certified mail and facsimile.	SMA receives a mix of paper and electronic attachments and returns a mix of electronic and paper formats.	SMA receives the majority of transactions and attachments electronically. SMA continues to accept paper attachments from a small number of providers who still submit paper transactions.	SMA no longer requires attachments because the payer has direct access to the clinical information stored in the Health Information Exchange (HIE).	Through the Nationwide Health Information Network (NwHIN), SMA can view clinical information stored in Clinical information in any location in the country. Attachments are no longer necessary.
Does the State Medicaid Agency use standards in the process?	SMA focuses on meeting compliance thresholds for state and federal regulations using state-specific standards.	SMA applies a mix of HIPAA and state-specific standards.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for intrastate exchange of information.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for clinical and interstate information exchange.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national exchange of information.
Does the clinical information accompany the	Submitter sends paper attachments (i.e., clinical records)	SMA automatically matches electronic attachments to	SMA requires electronic attachments for	Maturity level is not applicable.	Maturity level is not applicable.

OM – Claims Adjudication					
Submit Electronic Attachment					
Capability Question	***Level 1***	***Level 2***	***Level 3***	***Level 4***	***Level 5***
transaction?	separately from the transaction, and then SMA matches the two (2) documents, requiring manual intervention.	corresponding claim. SMA may scan paper attachments, but still associate them manually with the applicable transaction.	electronically submitted transactions, and they accompany the transaction.		
Are validation activities manual or automatic?	Validation that the attachment provides the necessary information is a primarily manual process.	Some validation is automatic.	The implementation of the process as a service per industry standard interface requirements allows automatic validation of attachments.	SMA automates process to the full extent possible across the interstate.	SMA automates process to the full extent possible across the nation.
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					

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Submit Electronic Attachment

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
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). It requires 30 or more business days for receipt of the requested records and associating them with the transaction.	Process timeliness improves through use of automation. Timeliness exceeds legal requirements. SMA may scan paper attachments, reducing the distribution time within SMA. It requires 24 hours or less to receive clinical attachment and associate with correct transaction.	Timeliness improves via state and federal collaboration, use of information sharing, standards, and regional Health Information Exchange (HIE). Timeliness exceeds Level 2.	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 improves timeliness over Level 3.	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 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	HIPAA standard transactions improve accuracy of information but the decision-making process may be erroneous or misleading. Accuracy is higher than at Level	Automation of information collection increases the reliability of SMA's internal information. External sources of information use MITA Framework and	Automation of information collection increases the reliability of SMA's internal and external sources of information. SMA adopts MITA	SMA adopts MITA Framework and industry standards for information exchange with national agencies. Decision-making is automatic using

OM – Claims Adjudication					
Submit Electronic Attachment					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
	unable to rely on information for decision-making.	1.	industry standards for information exchange. Decision-making is automatic using standardized business rules definitions. Accuracy is 99.9% or higher.	Framework and industry standards for information exchange with interstate agencies. Decision-making is automatic using regional standardized business rules definitions. Accuracy is 99.9% or higher.	national standardized business rules definitions. Accuracy is 99.9% or higher.
How accessible is the information in the process?	SMA stores information in disparate systems including paper storage and obtains information manually. Accessing clinical records generally requires 48 or more hours.	SMA stores information in disparate systems, but automation and HIPAA standards increase accessibility over Level 1. SMA accesses clinical records in one (1) hour or less.	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	High relative cost	Automation improves	SMA adopts MITA	SMA adopts MITA	SMA adopts MITA

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Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
the process compared to the benefits of its results?	due to low number of automatic, standardized tasks.	process and allows focus on exception resolution, improving cost effectiveness ratio over Level 1.	Framework, industry standards, and other nationally recognized standards further improving cost effectiveness ratio over Level 2.	Framework, industry standards, and other nationally recognized standards for interstate information exchange. SMA increases cost effectiveness ratio over Level 3.	Framework, industry standards, and other nationally recognized standards for national (and 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 90% or higher.	SMA adopts MITA Framework, industry standards and information exchange with interstate agencies and entities improving efficiency to 90% or higher.	SMA adopts MITA Framework, industry standards and information exchange with national agencies and entities improving efficiency to 90% or higher.

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Submit Electronic Attachment

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
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 Level 1.	SMA adopts MITA Framework, industry standards and information exchange with intrastate agencies and entities improving accuracy to 90% or higher.	SMA adopts MITA Framework, industry standards and information exchange with interstate agencies and entities improving accuracy to 98% or higher.	SMA adopts MITA Framework, industry standards and information exchange with national agencies and entities 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	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.

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Submit Electronic Attachment					
Capability Question	**Level 1**	**Level 2**	**Level 3**	**Level 4**	**Level 5**
			information collection.		

Apply Mass Adjustment

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Apply Mass Adjustment					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
Business Capability Descriptions					
Is the process primarily manual or automatic?	The process consists primarily of manual paper-based activity to accomplish tasks.	SMA uses a mix of manual and automatic processes to accomplish tasks.	SMA automates process to the full extent possible within the intrastate. SMA produces audit trail of mass adjustments 100% of the time.	SMA automates process to the full extent possible across the interstate.	SMA automates process to the full extent possible across the nation.
How does the State Medicaid Agency identify claims affected by a mass adjustment?	SMA staff manually produces reports to identify the claims affected by the adjustment.	SMA identifies claims affected by the mass adjustment through an automatic application.	SMA utilizes MITA Framework and industry standards and has the flexibility to change the criteria for identification of claims and application of the adjustment.	SMA automates process to the full extent possible across the interstate.	SMA automates process to the full extent possible across the nation.
How does the State Medicaid Agency apply adjustment to	SMA staff manually applies the adjustment to each	Application of the adjustment is automatic.	The process uses automation and MITA Framework, industry	SMA automates process to the full extent possible	SMA automates process to the full extent possible

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Apply Mass Adjustment

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
the claims?	claim identified.		standards, to apply adjustments.	across the interstate.	across the nation.
Does the State Medicaid Agency use standards in the process?	SMA focuses on meeting compliance thresholds for state and federal regulations using state-specific standards.	SMA applies a mix of HIPAA and state-specific standards.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for intrastate exchange of information.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for clinical and interstate information exchange.	SMA adopts MITA Framework, industry standards, and other nationally recognized 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 meets threshold or mandated	Process timeliness improves through use of automation.	Timeliness improves via state and federal collaboration, use of	Information is available in near real time. Processes that	Information is available in real time. Processes improve

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Apply Mass Adjustment					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
process?	requirements for timeliness (i.e., the process achieves results within the time specified by law or regulation).	Timeliness exceeds legal requirements.	information sharing, standards, and regional Health Information Exchange (HIE) and Health Insurance Marketplace (HIX). Timeliness exceeds Level 2.	use clinical information result in immediate action, response, and results. SMA has interstate interoperability, which further improves timeliness over Level 3.	further through connectivity with other States and with federal agencies. Most processes execute at the point of service. Results are almost 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 using standardized business rules	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 interstate agencies. Decision-making is automatic	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 higher.

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Apply Mass Adjustment					
Capability Question	***Level 1***	***Level 2***	***Level 3***	***Level 4***	***Level 5***
			definitions. Accuracy rating is at 99% or higher.	using regional standardized business rules definitions. Accuracy rating is at 99% or higher.	
How accessible is the information in the process?	SMA stores information in disparate systems including paper storage and obtains information manually. Information access may take multiple business days.	SMA stores information in disparate systems, but automation and HIPAA standards increase accessibility over Level 1. Information access takes no more than one (1) hour for smaller batches (fewer than 1,000 claims) or four (4) hours for large batches (more than 1,000).	SMA obtains information easily and exchanges with intrastate agencies and entities based on MITA Framework and industry standards. Accessibility is greater than Level 2. Information access takes a maximum of one (1) hour for the largest batches.	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					

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Apply Mass Adjustment

Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
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 effectiveness ratio over Level 2.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for interstate information exchange. SMA increases cost effectiveness ratio over Level 3.	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national (and 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.

OM – Claims Adjudication					
Apply Mass Adjustment					
Capability Question	*Level 1*	*Level 2*	*Level 3*	*Level 4*	*Level 5*
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 Level 1.	SMA adopts MITA Framework, industry standards and information exchange with intrastate agencies and entities improving accuracy to 90% or higher.	SMA adopts MITA Framework, industry standards and information exchange with interstate agencies and entities improving accuracy to 98% or higher.	SMA adopts MITA Framework, industry standards and information exchange with national agencies and entities 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.