

FM – Accounts Receivable Management					
Manage Provider Recoupment					
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 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.
What is the mode of communication?	SMA sends communications to providers and other payers via telephone, facsimile, and mail.	Communication to providers and other payers is via telephone, facsimile, and mail; plus, the use of e-mail is increasing and some agencies are sending Accredited Standards Committee (ASC) X12 837 Health Care Claim transactions directly to other payers rather than from payer to provider to request payment.	SMA uses primarily electronic communications, using paper only as needed to reach individual providers.	SMA adopts MITA Framework, industry standards, and national standards across the interstate.	SMA adopts MITA Framework, industry standards, and national standards across the nation.
How does the State Medicaid Agency requests recoupment of monies in third	SMA accomplishes the recouping of monies in third party liability situations from payer-to-	SMA still conducts recouping of monies from payer-to-provider but some payer-to-payer	Payer-to-payer recoupment processing is the norm with payer-to-provider interchanges	SMA conducts payer-to-payer recoupment processing.	SMA conducts payer-to-payer recoupment processing.

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party liability situations requested?	provider rather than payer-to-payer.	interchanges are taking place.	the exception.		
How integrated is the process?	There is little coordination between the portions of SMA responsible for recoupments: third party liability, program integrity, and accounting.	There is regular communication and coordination between program integrity, third party liability, recoupments, accounting, and the Medicaid Fraud Control Unit (MFCU).	SMA integrates overlapping activities between program integrity, recoupments, third party liability, accounting, and the MFCU, and communication is immediate.	SMA fully integrates the process to the extent possible across the interstate.	SMA fully integrates the process to the 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.	A mix of HIPAA including ASC X12 837 Health Care Claim transactions and state-specific standards are applied.	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	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)	SMA collaborates with other intrastate agencies and entities to adopt national standards, and to develop and share	SMA collaborates with other interstate agencies and entities to adopt national standards, and to develop and share	SMA collaborates with agencies and entities for national (and international) interoperability improvements that

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process?		transactions.	reusable business services.	reusable processes including clinical information.	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 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	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 national

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	unable to rely on information for decision-making.	is higher than at Level 1.	industry standards for information exchange. Decision-making is automatic using standardized business rules definitions. Accuracy rating is at 99% or higher.	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.	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.	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	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national

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		ratio over Level 1.	improving cost effectiveness ratio over Level 2.	interstate information exchange. SMA increases cost effectiveness ratio over Level 3.	(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.
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	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

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	1.		improving accuracy to 99% or higher.	improving accuracy to 99% or higher.	improving accuracy to 99% 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.