
Introduction

Part I, Appendix D contains the MITA Framework Business Capability Matrix (BCM) forms. Matrix refers both to the composite of all business capabilities displayed as a very large table, and the individual set of capabilities that map to a process. Each business process has a corresponding BCM representing 1-5 levels of maturity. When a state performs a self-assessment utilizing the MITA Framework, it starts by determining the As-Is operations (current) level of maturity of each process and the level it seeks to achieve in the To-Be environment (future).

The five (5) levels of maturity in the BCM originate from the definitions in the MITA Maturity Model (MMM) defined in Part I, Chapter 3, MITA Maturity Model. The business capabilities, along with the Logical Data Model (LDM) described in Part II, Chapter 4, Logical Data Model are the basic building blocks of the framework. Business capabilities describe information requirements defined in the LDM. It is possible to begin by defining the information model that in turn drives the definition of the business capability. The MITA Framework defines the processes and business capabilities first because of the availability of state process models.

The MITA Business Architecture (BA) discusses the business capabilities associated with a business process. Information capabilities (see Part II, Chapter 6, Information Capability Matrix) include data management strategies, data models, and data identified in the business capabilities that enable technical capabilities. Technical capabilities (see Part III, Chapter 7, Technical Capability Matrix) are enablers of business capabilities. Technical capabilities are enablers that support the business process at specific levels of maturity or technologies that promote MITA goals and objectives (e.g., flexibility, adaptability, and interoperability). There is no one-to-one match between business, information, and technical capabilities.

Business services (see Part III, Chapter 3, Business Services) define the physical implementation of a business capability. The main link between the BA and the Technical Architecture (TA) is the business capability to business service association. Both the business service and the business capability map to the LDM. See the Front Matter, Chapter 6, Introduction to the MITA Framework for more discussion of these interrelationships.

How to Read the BCM Form

Table D-1 shows the format of the BCM. The table title identifies the business area abbreviation, relevant business category, and the title of the process. A section provides business capability descriptions specific to the business process. The BCM defines six (6) business qualities for each business process:

- ❖ Timeliness of business process
- ❖ Data accuracy and accessibility

- ❖ Effort to perform business process; the efficiency of business process
- ❖ Cost effectiveness
- ❖ Accuracy of business process results
- ❖ Utility or value to stakeholders

Table D-1. Business Capability Matrix Form

<i>Business Area Abbreviation – Business Category Title</i>					
<i>Business Process Title</i>					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
<i>Business Capability Descriptions</i>					
This section provides general capabilities to identify the differences between the levels of maturity.					
Business Capability Question	Describe Level 1 capabilities.	Describe Level 2 capabilities.	Describe Level 3 capabilities.	Describe Level 4 capabilities.	Describe Level 5 capabilities.
<i>Business Capability Quality: Timeliness of Process</i>					
How timely is the end-to-end process?	Describe Level 1 capabilities.	Describe Level 2 capabilities.	Describe Level 3 capabilities.	Describe Level 4 capabilities.	Describe Level 5 capabilities.
<i>Business Capability Quality: Data Access and Accuracy</i>					
How accurate is the information in the process?	Describe Level 1 capabilities.	Describe Level 2 capabilities.	Describe Level 3 capabilities.	Describe Level 4 capabilities.	Describe Level 5 capabilities.
How accessible is the information in the process?	Describe Level 1 capabilities.	Describe Level 2 capabilities.	Describe Level 3 capabilities.	Describe Level 4 capabilities.	Describe Level 5 capabilities.

<i>Business Area Abbreviation – Business Category Title</i>					
<i>Business Process Title</i>					
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?	Describe Level 1 capabilities.	Describe Level 2 capabilities.	Describe Level 3 capabilities.	Describe Level 4 capabilities.	Describe Level 5 capabilities.
Business Capability Quality: Effort to Perform; Efficiency					
How efficient is the process?	Describe Level 1 capabilities.	Describe Level 2 capabilities.	Describe Level 3 capabilities.	Describe Level 4 capabilities.	Describe Level 5 capabilities.
Business Capability Quality: Accuracy of Process Results					
How accurate are the results of the process?	Describe Level 1 capabilities.	Describe Level 2 capabilities.	Describe Level 3 capabilities.	Describe Level 4 capabilities.	Describe Level 5 capabilities.
Business Capability Quality: Utility or Value to Stakeholders					
How satisfied are the stakeholders ?	Describe Level 1 capabilities.	Describe Level 2 capabilities.	Describe Level 3 capabilities.	Describe Level 4 capabilities.	Describe Level 5 capabilities.

Performance Monitoring

The MITA Framework provides guidance for a basic three (3) tier performance monitoring structure that applies to the Business Process Template (BPT), BCM, and Technical Capability Matrix (TCM). See Part I, Chapter 5, Business Capability Matrix for more details on developing performance monitoring. The MITA measurement categories include:

- ❖ **Performance Standard** - A management-approved expression of the performance threshold(s), requirement(s), or expectation(s) that CMS expects States to meet in order to appraise at a particular level of performance.
- ❖ **Performance Measure** - Based on established Performance Standards and tracks past, present, and future business activity.
- ❖ **Performance Metric** - A measure of an organization's activities and performance also known as a Key Performance Indicator (KPI). Often closely tied in with outputs, performance metrics should usually encourage improvement, effectiveness and appropriate levels of control.

A process may have specific performance measures defined for relevant business capabilities in their respective BCM. For those performance standards that are unique for each of the levels of capabilities the following maturity indication is used:

- ❖ Level 1 – State Medicaid Agency (SMA) does not conduct performance monitoring.
- ❖ Level 2 – SMA defines performance standard(s).
- ❖ Level 3 – SMA defines Level 3 performance measure(s) and metric(s) with baseline performance targets.
- ❖ Level 4 – SMA defines Level 4 performance measure(s) and metric(s) with baseline performance targets.
- ❖ Level 5 – SMA defines Level 5 performance measure(s) and metric(s) with baseline performance targets.

For those performance standards that are the same for the each of the levels of capabilities the following maturity indication is used:

- ❖ Level 1 – SMA does not conduct performance monitoring.
- ❖ Level 2 – SMA defines performance standard(s).
- ❖ Level 3 – SMA defines performance measure(s) and metric(s) with baseline performance targets.
- ❖ Level 4 – SMA improves performance measure over Level 3.
- ❖ Level 5 – SMA improves performance measure over Level 4.

In the BCM, the processes represent the typical operations of a State Medicaid Agency (SMA). As the SMA matures, it transforms some processes and replaces others.

Stakeholders develop new business processes for effectiveness and efficiency. **Table D-2** provides basic ‘rules of thumb’ for defining business capabilities within each of the five (5) levels of maturity. A process may have specific performance measures defined for relevant business capabilities in their respective matrix.

Table D-2. MITA Business Capability Matrix

Business Area Abbreviation – Business Category Title					
Business Process Title					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
Business Capability Descriptions This section provides general background on the process to identify the differences between the levels of maturity.					
MITA Level of Maturity definition	SMA focuses on meeting compliance thresholds for state and federal regulations, aiming primarily at accurate enrollment of program eligibles and timely and accurate payment of claims for appropriate services.	SMA focuses on cost management and improving the quality of and access to care within structures to manage costs (e.g., managed care, catastrophic care management, and disease management).	SMA focuses on coordinating and collaborating with other agencies to adopt national standards, and to develop and share reusable processes to improve the cost effectiveness of health care service delivery.	SMA, with widespread and secure access to clinical information, improves health care outcomes, empowers members and provider stakeholders, measures objectives quantitatively, and focuses on program improvement.	SMA focuses on fine-tuning and optimizing program management, planning, and evaluation, with national (and international) interoperability improvements that maximize automation of routine operations.

<i>Business Area Abbreviation – Business Category Title</i>					
<i>Business Process Title</i>					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
	business services.				
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 state.	SMA automates process to the full extent possible within the state.	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 Health Insurance Portability and Accountability Act (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 exchange of information.	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	Very little collaboration occurs with other agencies to standardize information	SMA collaborates with other agencies and entities to adopt HIPAA standards and Electronic Data	SMA collaborates with other intrastate agencies and entities to adopt national standards, and to	SMA collaborates with other interstate agencies and entities to adopt national standards, and to	SMA collaborates with agencies and entities for national (and international) interoperability improvements that

<i>Business Area Abbreviation – Business Category Title</i>					
<i>Business Process Title</i>					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
performing the process?	exchange or business tasks.	Interchange (EDI) transactions.	develop and share reusable business services.	develop and share reusable processes including clinical information if appropriate.	maximize automation of routine operations.
<i>Business Capability Quality: Timeliness of Process</i>					
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, industry standards, and intrastate 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 federal agencies. Most processes execute at the point of service. Results are almost immediate.
<i>Business Capability Quality: Data Access and Accuracy</i>					

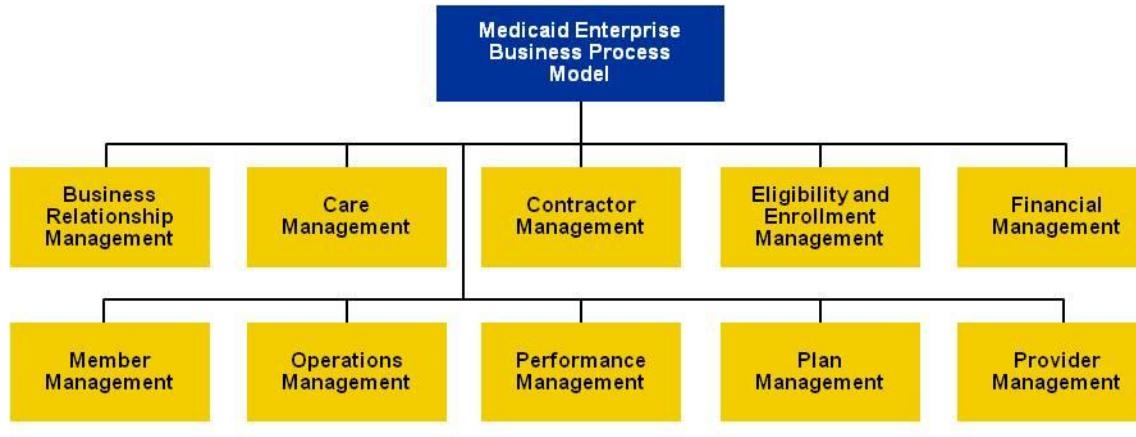
<i>Business Area Abbreviation – Business Category Title</i>					
<i>Business Process Title</i>					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
How accurate is the information in the process?	Use of direct data entry for information collection is manually intensive and susceptible to 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 intrastate 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	SMA stores information in	SMA stores information in	SMA obtains information easily	SMA obtains information easily	SMA obtains information easily

<i>Business Area Abbreviation – Business Category Title</i>					
<i>Business Process Title</i>					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
the process?	disparate systems including paper storage and obtains information manually.	disparate systems, but automation and HIPAA standards increase accessibility over Level 1.	and exchanges with intrastate agencies and entities based on MITA Framework and industry standards. Accessibility is greater than Level 2.	and exchanges with interstate agencies and entities. Accessibility is greater than Level 3.	and exchanges with national agencies and entities. Accessibility is greater than Level 4.
<i>Business Capability Quality: Cost-Effectiveness</i>					
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	SMA adopts MITA Framework, industry standards, and other nationally recognized standards for national (and international) information exchange. SMA increases

Business Area Abbreviation – Business Category Title					
Business Process Title					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
					ratio over Level 3. cost effectiveness ratio over level 4.
Business Capability Quality: Effort to Perform; Efficiency					
How efficient is the process?	Process is labor intensive. SMA waste 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	SMA adopts MITA Framework, industry standards and information exchange with	SMA adopts MITA Framework, industry standards and information exchange with	SMA adopts MITA Framework, industry standards and information exchange with

<i>Business Area Abbreviation – Business Category Title</i>					
<i>Business Process Title</i>					
Capability Question	Level 1	Level 2	Level 3	Level 4	Level 5
	accuracy above Level 1.	intrastate agencies and entities improving accuracy to 90% or higher.	interstate agencies and entities improving accuracy to 98% or higher.	national agencies and entities improving accuracy to 98% or higher.	
<i>Business Capability Quality: Utility or Value to Stakeholders</i>					
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.

The BCM follows the same organization as the Business Process Model (BPM) in Appendix C. The high level view of the State Medicaid Enterprise is shown in **Figure D-1** below.



BA-D-1

Figure D-1. Medicaid Enterprise Business Process Model