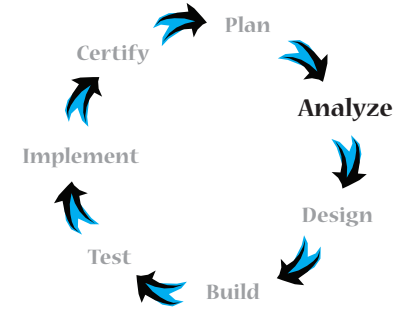


Gap Analysis

As Is or To Be, What is the Question?



Introduction to Gap Analysis



You understand that changes must be made to improve the business of operating your healthcare services to make your program work better; to make programs more cost effective; to pay claims more efficiently. Maybe it is the information system that needs to change, maybe the program; regardless of the business service involved, Gap Analysis is an effective solution for Business Process Improvement (BPI), technology procurements and strategic planning projects. Because a business fulfills its purpose through the services it provides, BPI may be used by any business or organization with a service orientation – be it a for-profit business, a non-profit organization, a government agency, or any other ongoing concern. Gap Analysis is used in BPI to identify perceived needs that the new system of doing business cannot meet and that the current business processes do not support. To get your program to that new and better world, you will need a road map from where you are now (*As Is*) to where you want to be (*To Be*). Gap Analysis is the method by which the road map is developed from the *As Is* to the *To Be*.

Modeling the business

A business model is a systematic understanding of the services that a business employs to achieve its purpose and the business processes required to provide each service. The business model is a mutable picture of the business process of a Medicaid program that serves as the basis for the Service Orientation of the business and information system. As such, the business model becomes the foundation of the architectural business and technology concept for the Service Oriented Architecture (SOA) Environment desired in today's Medicaid Enterprise Systems.

The question you must ask yourself

In deciding what your *As Is* and *To Be* models will ultimately look like, the fundamental question that you

are asking yourself is “What is the business that I am defining through this process?” The BPI must begin by questioning the direction that the business would like to take. Determining direction requires a starting point and an ending point, so the business must now ask itself: “What do I look like now and, what do I want to look like?” The answers to these questions define the current and target Enterprise. Then by employing Gap Analysis techniques the BPI process can determine what it will take to get there.

BPI is a systematic approach taken by an organization to make significant changes in the way it does business or to improve the methods by which it fulfills its purpose.

How do you know if the business needs to change?

Generally, the need for BPI is identified initially by change: changes in policy, changes in resources, and changes in the environment that created the need for the service to begin with. New services may be added or existing services may call for a change or enhancement. The change may be event driven, such as changes in the nature of the need for the service; or, ongoing performance improvement and quality assurance activities that identify shortcomings in a business or the technology that facilitates the business. When it becomes more cost effective to make the change than to stay where you are, it is time to make the change. Once the need for change is identified, the process of re-engineering the business to meet the newly identified needs begins.

Some of the big changes that healthcare programs and their information technology maybe challenged with today include:

- Enterprise Development
- Managed Care
- Medicaid Reform
- Electronic Health Records
- Health Information Exchange
- System Procurement

What is a Business Process?

A Business Process is in essence a collection of related, structured activities, or chain of business functions, activities and tasks, that produce each specific service or product that a Medicaid business must perform. In a business process driven architecture, the flow of work is a series of activities driving information system applications and human behavior to complete a business transaction or process. Each service consists of one or more business processes working independently and in tandem to execute that service.

Each business process consists of inputs, method, and outputs. The inputs are required before the method can be put into practice to achieve the outcome. When the method is applied to the inputs then certain outputs will be created. The collective output of the combined business processes required is the service itself.

How to move from the As Is to the To Be?

Gap Analysis utilizes comparative analysis techniques to identify the differences that exist between the As Is business processes and those required of the To Be. It is essential to identify the nature of the current process in order to make this comparison. Developing the As Is and the To Be models can be a daunting task; often the business processes are segmented and appear to occur in isolation, when in reality they are interrelated and interdependent. These interrelationships can be difficult to see from the point of view of the workers involved. Individual staff may not be aware of these interactions, and the cultural changes required to move away from the way things are to the way they will be in the new system. Understanding these relationships is key to the evolution of the system architecture in the SOA environment. Gap

Analysis provides the BPI project staff with the business process management tools necessary to effectively manage the move from the current system to the future system smoothly and effectively.

How do I know what to change?



A business process is typically long running in nature, involving multiple parties and/or applications within an enterprise or across enterprises.

For this reason the high altitude perspective of the Gap Analysis identifies the changes that are required at each point along the route. By viewing the business model from the perspective of Gap Analysis, these relationships are identified and applied objectively to the processes of the new model. Some business processes may not exist in the new model, creating a change in the business culture that must be identified for training purposes. Gap Analysis creates a map of the required changes that can be used to identify the required changes in process, organization and resources to move the business from the As Is to the To Be.

Conclusion

Successful navigation from the As Is to the To Be can be achieved through the use of Gap Analysis. Effective use of Gap Analysis can effectively minimize risks and reduce the costs of the Medicaid BPI effort. Gap Analysis is key to a successful BPI in today's business and technology environment.



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