INSTRUCTIONS

Description: This is a sample IT strategic plan. It is the only tool provided that does not allow you to modify the information in the graphic. Your strategic plan will be unique and should be developed from the “ground up”.

Instructions: Review the plan and the format that I’ve used. For additional information on developing a strategic IT plan, you will want to read Building a Strategic IT Plan, one of the ten publications in the IT Manager Development Series.

Included with the plan are key points relating to each initiative to give you an example of how I would present the benefits of the initiative.
Business Automation Strategy

6 Steps to a “Paperless” Environment

1. Billing Cleanup
   - East Projects
     - TWCC073
   - West Projects

2. OPTIO Report Management & Distribution
   - Reports Distribution
     - Fax Server
     - Forms Elimination

3. Electronic Encounter & Fee Ticket

4. Scanning & Image Retrieval
   - H/R & Payroll
   - A/P
   - Billing
   - Clinic Files

5. Employer Outcomes Module

6. Workflow

Other Claims Automation Processes
- Other Clearinghouse
- Payor

PHASE-I
- Automation (Model in place)

PHASE-II
- Automation (Production mode)

PAPERLESS
Business Automation Strategy
Other Significant Projects

1. AS/400 O/S Upgrade
2. Data Purge
3. Month-end Overhaul
4. Clinic AS/400 Availability Project
5. “Sold Company” Separation
6. 10.1 IP Renumber Project
7. Network Growth Assessment Plan
8. AS/400 Growth Assessment Plan
9. MT System
10. “Old” A/R
11. Refined AS/400 Business Process
12. Software Distribution Automation

IT Budget Preparation

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Key points to pick up in the example:

1. Multiple major initiatives can take place at the same time.
2. Many major initiatives actually have several sub-projects.
3. There are considerable dependencies of projects.
4. Many projects cannot or should not begin until other projects are completed. An example of this is that the blocks that make up East and West projects in Initiative 1 should be completed before beginning the Clearing House (C/H) Pilot project.
5. Projects are at all levels of activity, from identified as needed to completed.
6. Page 1 looks simple but it's not simple at all and requires a significant amount of work.
7. Multiple disciplines within IT and various company departments are involved and impacted. A strong level of commitment will be needed to execute the plan.

It might also help to go through each of the major initiatives and share relevant points that were made in the presentation.

Page 1

Initiative 1 - Billing Automation

- The key strategy to automate billing.
- Cost reduction will take place as resource positions are no longer needed due to automation.
- This initiative is a 24-month plan.
- With each project completion, billing resource needs are reduced and lead time to receive payments is reduced – two major benefits for the company.
- Once the pilot (1D) is completed, multiple clearinghouse or Payor projects can be developed simultaneously (1E, 1F, & 1G).
- Three “cleanup” projects are necessary first (1A, 1B, & 1C).

Initiative 2 - Automated Report Distribution

- Positions the company for automated report distribution in 3 key areas:
  A. Internal - Normal month-end reports to managers of the company.
  B. For electronic billing - Facilitates Initiative 1 by creating the automatic process of sending documents electronically to the various clearing houses and Payors once their electronic billing model is completed. It will remove the requirement for manual intervention and automates the processes to function automatically.
  C. Clients - Positions the company for automated report distribution to thousands of clients as the Employer Outcomes Module (5) is completed.

Initiative 3 - Electronic Encounter

- Automates more of the “front-end” data capture to facilitate billing sooner.
- Requires considerable training and a phased implementation.
- Requires a strong commitment of billing and operations for design and testing.
Initiative 4 - Scanning & Image Retrieval
- There are 4 areas of opportunity
  A. Human Resources and Payroll (targeted for pilot due to small size)
  B. Accounts Payable
  C. Billing
  D. Remote office patient records files
- Saves considerable storage space in many locations that can be used for other needs.
- Pilot easier operations (HR and AP) first before touching patient records.
- Automates ability for designated resources to provide faster response for client service.
- Positions the company for the Workflow initiative (6)
- Payback is based on reclaiming space, improved client service, and hiring avoidance.

Initiative 5 - Employer Outcomes Module
- Creates ability to capture billing data earlier which leads to faster billing of services.
- Positions the company to provide outcome information (5) for clients

Initiative 6 - Workflow
- Creates an automated process of working business processes in areas such as Billing, Accounts Payable, Payroll, and Operations.
- Creates an ability to measure employee productivity much better.
- Positions the company to hire “work at home” employees by being able to que workloads and to track completions of work processes.
- Allows the company to grow significantly without adding employees at the same rate.

Most of the conversation stayed on this first page which is where I wanted to focus everyone’s attention. The second page of initiatives was included to point out other efforts that had to take place. Take advantage of every opportunity you have to create awareness of what your IT organization is working on. It pays dividends for the company, the IT organization, and for yourself.

Page 2

Initiative 7 - AS/400 O/S Upgrade
- A tactical project that was necessary for growth.

Initiative 8 - Data Purge
- A process required to manage the company’s data retention. Up until that point, data had never been purged from the system. As the company grew, the amount of detail and length of time of retaining the data was needed to be defined and a process created to support it.
- Emphasis was placed to address this issue prior to a large acquisition.

Initiative 9 - Month-end Revisions
- Similar to Initiative 8, a more streamlined month-end process was needed to position the company for major growth and to take advantage of Initiative 5 (Automated Report Distribution).
Initiative 10 - Clinic AS/400 Availability Revisions
- A significant cost reduction opportunity existed by modifying the online access to the main AS/400 server. By creating a “store and forward” process, each remote location would have access to the data needed locally without having to be connected through the company’s WAN (Wide Area Network) all the time.
- The project offered significant cost savings.
- The project offered reduced downtime to remote locations due to telecommunication problems beyond the company’s control.

Initiative 11 - “Sold Company” Separation
- Following up on issues to completely sever services and costs associated with the sale of a small division of the company was identified. On the graphic, you can see there were no relationships to other initiatives.

Initiative 12 - 10.1 Renumber Project
- A tactical project to complete the standardization of the company’s network addressing scheme so that new locations added through acquisition would be easily addressable in a standard means for improved support.

Initiative 13 - Network Growth Assessment
- With the knowledge of future acquisitions being imminent, it was important to revisit the networks to assure ourselves that the company was well positioned to grow the network as needed to accommodate new business.

Initiative 14 - Software Distribution Automation
- With the expectation that the company would have many more remote locations, the opportunity to reduce labor in adding and maintaining software changes at the locations through automated tools was very compelling.

Initiative 15 - AS/400 Growth Assessment Plan
- The primary server of the company’s operations had to be assessed for the most cost effective approach to accommodate significant growth.

Initiative 16 - IT Budget Preparation
- Many of the initiatives had capital budget or operating budget implications.
- The graph shows that many of the projects were prerequisites for the CIO to develop a comprehensive IT budget.

As you review this example, you will see that it is truly at a high level but that it also includes several tactical projects that were necessary to support and complete the IT strategy.