

# Business Impact Analysis Process



## Purpose & Objective

The Business Impact Analysis (BIA) Process identifies the potential impacts of disruptions that render the health center unable to perform one or more of the functions required for normal operations. The completed BIA Process will identify:

- Which functions are most essential for the Health Center operations;
- What resources are required to resume operations;
- How quickly these functions must return to full operation following a disruption (due to emergency/disaster or other cause).

## Assumptions

Unless otherwise indicated, operational impacts are identified based on a worst-case scenario in which the physical infrastructure supporting each function has been destroyed, all records, equipment, etc. are not accessible for 30 days during its peak operational period. Please note the BIA will not address the Health Center's recovery strategies.

## Instructions

Each department leader will compile a list of the 3-5 essential functions carried out by their department; once identified, a BIA will be conducted on each of the departmental functions to determine their criticality and the potential impact if disrupted, including their Recovery Time Objectives (RTOs) (and Recovery Point Objectives (RPOs), when applicable). In addition, any interdependencies and related risks should be identified through robust cross-departmental analysis, discussion, and collaboration.

The process is summarized in 3 steps:

- **Step 1:** Assess Potential Cumulative Impacts
- **Step 2:** Identify Dependencies
- **Step 3:** Determine Recovery Point/Time Objectives (RPOs/RTOs)

Upon completion, BIAs will be utilized to develop a prioritized list of essential functions that takes into account the various potential impacts of a disruption; this list will provide the health center with business continuity planning priorities and a basis for developing the most critical recovery strategies for the organization.

## Considerations

In order to determine what functions are essential, department leader should consider the following aspects of a disruption of operation in terms of the following potential impacts.

- **Financial** – includes loss of revenue- Loss of income normally received from health center operations (patient encounters, billing for encounters, filling patient prescriptions, etc.) –and additional expenses- temporary staffing, overtime, equipment, services
- **Regulatory and Legal** - fines, penalties, compliance issues, contractual/ funding obligations, financial liabilities
- **Customer Service and Goodwill** - reduction of hours or services, ability to communicate to patients, as well as general public image, stakeholder relations, ability to fulfill health center's mission

## Definitions

- **Health Center Functions** are separate, discrete services or processes performed by one or more departments. For example, the finance department in a smaller health center may include accounting and billing while a larger health center may have separate departments that perform these functions.
- **Recovery Time Objective (RTO)** is the maximum amount of downtime that is allowable for a critical process before the impact becomes severe enough to drastically hinder patient safety and/or stop the continuation of business services.
- **Recovery Point Objective (RPO)** is the point in time to which data must be restored after systems go down. It may also be considered the maximum amount of tolerated data loss.

# Identification of Essential Departmental Functions



Health Center Department: \_\_\_\_\_ Date: \_\_\_\_\_

Completed By (Name, Title): \_\_\_\_\_

*In consideration of departmental operations and the organizational mission; our department has identified the following essential functions for business impact analysis (brief descriptions included as necessary):*

1. \_\_\_\_\_

2. \_\_\_\_\_

3. \_\_\_\_\_

4. \_\_\_\_\_

5. \_\_\_\_\_

Additional comments/ notes:

# Business Impact Analysis (BIA) Form



Health Center Department: \_\_\_\_\_ Date: \_\_\_\_\_

Function # \_\_\_\_\_ :

*Instructions: Complete the following 3-step analysis for each of the departmental functions. Use separate sheet for each function.*

## Step 1: Assess Potential Cumulative Impacts upon Disruption:

- **Financial**

Estimate potential losses according to the following scale

- a) Up to \$10,000
- b) \$10,000- \$100,000
- c) \$100,000- \$500,000
- d) \$500,000- \$1,000,000
- e) Over \$1,000,000

Time of Disruption	<4 hours	4-24 hours	24-72 hours	3-7 days	8-30 days
Loss in Revenue					

- List any additional expenses that may be incurred

- Temporary Staffing or Overtime -
- Purchase Equipment -
- Vendor Services -
- Other -

- **Regulatory and Legal**

- Reference applicable requirements and obligations, describe potential liabilities

- **Customer Service and Goodwill**

- Describe real or perceived losses and categorize as minimal, moderate, or heavy/severe

- **Step 2: Identify Dependencies:**

- Does this function have to be performed at a specific time of the day/week/month/year?
- Does this function rely on technology (hardware or software)? if so list below:
- Does this function depend on any internal services or products for completion?
- Does this function depend on any external services or products for completion?
- Has the Health Center developed/established any workaround procedures (manual or otherwise) to continue operations in the event the function cannot be performed?

**Step 3: Determine Recovery Objectives**

- **Recovery Time Objective (RTO):** Identify the time at which the maximum amount of loss that can be tolerated is reached.

Tier I	Tier II	Tier III	Tier IV	Tier V
<4 hours	4-24 hours	24-72 hours	3-7 days	8-30 days

- **Recovery Point Objective (RPO):** Describe the point in time to which data must be restored after systems go down; may also be considered the maximum amount of tolerated data loss (if applicable).