Operational Verification and Validation

Why Operational Verification and Validation?

As State Medicaid organizations look for more cost effective ways to provide services to citizens in need, many find efficiency in contracting for a variety of services. However, challenges arise in providing adequate oversight of multiple vendors. As organizations are tasked to do more with less, staff members are stretched thin trying to monitor contractor services. This makes the need for assistance through Operational Verification and Validation (OV&V) essential in monitoring contract performance.

Current program challenges resulting from oversight of multiple vendors include:

- The volume of contract deliverables puts a strain on resources to keep up with timely review and approval
- Risk assessment and mitigation may be deferred because resources place emphasis on other contractual obligations
- Issues arise for which no one is prepared, leading to knee-jerk responses and temporary solutions
- Performance metrics go unverified and are accepted as reported by the vendor
- Change orders are either accepted with little investigation or never processed because the agency lacks resources to properly evaluate them
- Multiple reports from multiple vendors are time consuming and fail to provide the big picture, comprehensive overview for agency executives

- Corrective actions for contract services that fail to meet expectations are delayed or ineffective due to lack of root cause analysis for underlying reasons for non-performance
- Vendor oversight robs resources that could be better used to establish direction, vision, and pursue strategic goals
- The overextension of agency resources often leaves the managers and executives without confidence that critical quality and timeliness elements are being fully evaluated

The Solution

For many years, the term verification and validation referred to the Independent Verification and Validation (IV&V) conducted on large-scale information technology system development efforts. Automated system developments funded by the federal government often require that states hire an IV&V contractor to provide independent project oversight. First Data has expanded the concept to offer assistance to projects with a focus on services. The term Operational Verification and Validation (OV&V) has been coined to describe an assortment of project support provided to agencies contracting for services.

Operational Verification & Validation encompasses a variety of services designed to assist agency staff in monitoring and managing contracts and vendors. OV&V focuses on the contractors’ operations and work products. Services are customized to the needs of the agency. First Data supplements Medicaid agency staff by taking on the time consuming tasks around deliverable review, change order analysis, vendor process review, and risk assessment and analysis. For larger scale projects, governance planning provides a structured environment for managing the overall project.
First Data OV&V services are fully customized to provide the exact level of support required of your agency. Our project encompasses all elements of program oversight. In instances where automated support is an integral part of the contract, First Data provides traditional IV&V services as well.

A Focus On Results

First Data's Operational Verification and Validation services can help your agency provide effective oversight of vendors. The service is designed to provide:

→ Change order analysis & review
→ Performance metrics
→ Governance planning
→ Quality management plan compliance monitoring
→ Deliverable development oversight
→ Risk assessment and mitigation
→ Data integrity
→ Discrepancies reporting
→ Metrics monitoring
→ Process audits
→ Issue management/Dispute resolution
→ Dashboard reporting
→ Meeting support

First Data can tailor a plan that will meet your needs and provide the support your agency and contractors require. Together we can provide state executives and legislators the assurance that the state is receiving proper value for the funds expended. First Data can provide the expertise, cost savings and integrity necessary for any successful program.

A Global Leader in Electronic Commerce

First Data powers the global economy by making it easy, fast and secure for people and businesses around the world to buy goods and services using virtually any form of payment. Serving millions of merchant locations and thousands of card issuers, we have the expertise and insight to help you accelerate your business. Put our intelligence to work for you.

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