



# Procurement Track Session

## Role of Independent Verification and Validation (IV&V)

**Role of IV and V**  
**Georgia Readiness Review**  
**Case Study**

**Monday, August 13, 2007**  
**3:30 to 5:00**

## ■ Introductions

- Kathy Driggers, Chief of Managed Care and Quality – Georgia Department of Community Health
- Wade Miller, Client Executive Consultant, FourThought Group Inc.

## ■ What Is Readiness Review?

- Similar to IV and V, Readiness Review provides an additional, third party review of all vendors system components to determine their ability to meet DCH requirements.

## ■ What are the Entrance and Exit Criteria?

- Readiness Review begins when User Acceptance Testing is completed.
- Readiness Review ends only after all items for review have achieved a “Ready to Implement” status.

## Georgia Families in a nutshell:

- Impacts Georgia's medical assistance programs
- Mandatory enrollment into managed care: 1 million+
- Enrollees are women, children and non-elderly adults
- Care Management Organizations (CMOs) are responsible for health care delivery and related administrative functions
  - CMOs interface with DCH on numerous functions as described in the Model Contract
- CMOs are compensated primarily on a PMPM, prospective, fixed-payment basis for providing these services as agents of DCH

# Georgia Families Overview



**Delivers health care services to Medicaid and PeachCare for Kids Members**



**Member Chooses Plan to fit individual needs**



**Partnership between DCH and CMOs to ensure accessible and quality health care for all Medicaid managed care beneficiaries**



**DCH Monitors Care Management Organizations to ensure compliance**

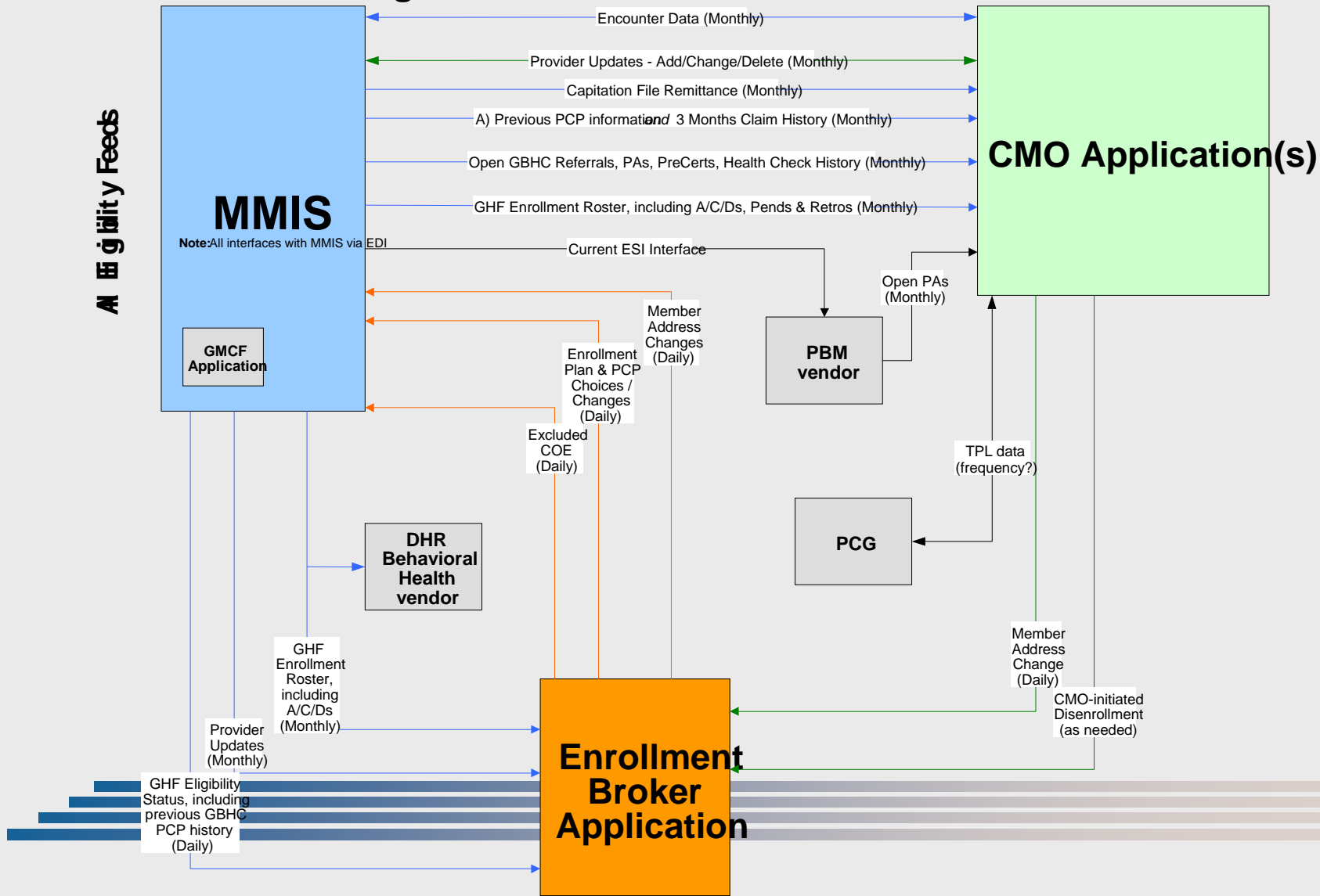


## Why the need for Readiness Review?

- Climate of provider and public distrust after difficult Fiscal Agent Implementation in 2003 necessitated need for third party review
- Not enough DCH staff with expertise in Managed Care.
- DCH needed a way to reduce the risk of implementing a managed care program.
- Needed MMIS and Managed Care Systems Expertise.
- Needed a vendor who would work collaboratively with all partners.
- Large Scale Implementation (approximately 1 million lives) in a short time frame.

# GF Readiness Review Assessment

## Georgia Families Interfaces



## What Georgia Asked For

- Performing operational readiness reviews for all contracted Care Management Organizations (CMOs), with a focus on operational and systems/technical aspects to include a “go/no go” recommendation for each CMO in each implementation phase. This included activities such as onsite reviews, interviews of CMO staff, surveys and review of documentation;
- Performing operational readiness assessment of the Enrollment Broker for the CMO initiative, with a focus on information technology and interfaces. This included activities such as onsite reviews, interviews of the Enrollment Broker staff, surveys and review of documentation;
- Performing operational readiness assessment for the Fiscal Agent and other third party vendors. This included include activities such as onsite reviews, interviews of Fiscal Agent and other third party staff, surveys and review of documentation
- Assisting with internal DCH re-organization and readiness activities as related to the CMO initiative;
- Assisting with post-implementation reviews and follow-ups; and
- Submitting readiness review reports at least ninety (90) days prior to implementation for all CMOs in each region, the Enrollment Broker, Fiscal Agent and other third party vendors to include reports of issues and risks and recommendations for corrective actions.

## Methodology and Approach to Readiness Review

- Based on industry standard maturity models such as Capability Maturity Model Integrated – (CMMI) and MITA Maturity Model.
- Approach includes creating criteria based on known requirements documents (RAD, FDD, Traceability Matrix)
- Sharing criteria ahead of time with Vendor and getting feedback.
- Meeting with Vendor to discuss process and answer questions
- Debrief with Vendor after assessment sharing preliminary findings
- Creation of a Readiness Review Recommendation and Supporting Reports out of MATT tool.

## Assumptions for Readiness Review

- All coding, Unit Testing and User Acceptance testing has been completed and signed off by DCH.
- Integration Testing between Vendors has been completed and signed off on by DCH.
- No significant defects or bugs exist
- Migration Plan has been documented and discussed with DCH.

## Readiness Review Process

- **Request Documentation (RAD, FDD, Companion Guides, Traceability Matrix, Test Plans)**
- **Load MATT tool with Required Business Processes, Capabilities, Characteristics and Measures**
- **Conduct Off Site Review of Documentation**
- **Conduct On-Site Validation of Systems Test Results**
- **Document Results of On-Site Validation and Off Site review.**
- **Generate Preliminary Report for DCH**
- **Final Report for Vendor and DCH**

## GF Readiness Review Assessment

### Development of Maturity Assessment Tracking Tool (MATT)

- **Started with RAD and FDD Requirements**
- **Extended with Interface Requirements from ACS IT Summit sessions, and Companion Guide Information.**
- **Supports identification of Business Processes, Capabilities, Characteristics and Measures.**
- **Used to record affirmations that the vendor has or does not have the ability to perform a function or process according to the DCH requirements.**

# GF Readiness Review Assessment

## Development of MATT Tool

## Georgia Specific Business Process Model Created for

### Identification of capabilities, characteristics and corresponding measures

- **Capability – ability to execute a specified course of action, capabilities must be demonstrated**
- **Characteristic – further define how should the capability be achieved at a given level**
- **Measure – typically stated as questions, measures identify whether the enterprise performs the capability, measures provide the objective assessment**

## Business View Assessment

- **Focuses on processes, activities and organizational structure necessary to run the GF Program.**
- **Determines how the Vendors Systems and Operations meet the business capabilities and characteristics of Managed Care Readiness Model defined in MATT.**
- **Requirements loaded into tool, with measures developed to assess whether an entity can or can not perform the capability according to DCH requirements / expectations.**
- **Included an assessment of the DCH organization to assess their “readiness” to manage and monitor the CMOs.**

## Business View Assessment

### Maturity levels - Scoring

- **Level 1 – No Evidence of meeting Requirements – Not Ready**
- **Level 2 – Some Evidence of Compliance with Requirement, but does not meet minimal acceptable level.**
- **Level 3 – Evidence of Minimum Compliance – Capability has minor problems, none of which hamper the ability to perform the overall function, however may not provide efficiencies envisioned by DCH.**
- **Level 4 – 100% Compliant with Requirement – Meets State Expectation**
- **Level 5 – Exceeds States Expectations or Target Levels**

## Overall Scoring

- Each Business Process or Capability in the RAD and System Design Documents are assessed.
- A maturity level score is assigned for each Business Capability.
- Overall Scores are generated for Each Phase of Readiness Review for Each Entity being Assessed.
- Go/No Decision based on Evidence presented by Vendor, Observations, Weighting of Particular Items.

## GF Enterprise Assessment

### Scoring Results/Reporting

- **Minimum score available: Level 1**
- **All capabilities at a given level for a business process must be met to achieve next level (i.e. Scoring for a business process cannot exceed its lowest score for all of the characteristics)**
- **Report will capture percentage of affirmative answers for each business process**

## Steps After Assessment

- Suggest Corrective Action Plan for any Capability receiving a score of 1 or 2.
- Review and Comment on Vendor Corrective Action Plan
- Review Testing of Corrective Action and write up results
- Conduct Post Implementation Review and Follow-up

## Key Components for Selecting an IV & V Vendor

- Determine the need – How much help do you need?
- Procure early – Don't wait until the MMIS Vendor or other partners are already under contract before hiring IV & V vendor.
- Scrutinize IV and V proposals to understand what you are getting from each vendor.
- Select a partner that fits in with your culture. Flexibility is key.

## Adversarial vs. Non Adversarial Relationships

- IV and V vendor has an obligation to help minimize risk on projects and protect the State – Sometimes from themselves.
- Establish an agreed upon project management protocol endorsed by the State.
- Communicate often and regularly with all parties.
- Ensure IV and V evaluation criteria is understood by all – rules of engagement are clear.
- Collaborate and avoid “dumping” deliverables and comments back and forth.

## IV and V Involvement

- Early and often! IV and V vendor should not be a “guest star” at status meetings and other key meetings. Yet do not need to be in day to day meetings.
- Point in time reviews maybe sufficient
- IV and V Vendor also should not be asked to make decisions that the State should make.

# QUESTIONS?