CONTRACTS. Provides relative to contracts for fiscal intermediary services. (8/1/22)

1 AN ACT
2 To amend and reenact the introductory paragraphs of R.S. 39:198(I) and 198(I)(8), and R.S.
3 39:198(I)(2), (6), (8)(b) and (c), and (9), relative to contracts for fiscal intermediary
4 services; to provide for the transfer of contract award oversight from the House and
5 Senate committees on health and welfare to the Joint Legislative Committee on the
6 Budget; and to provide for related matters.
7 Be it enacted by the Legislature of Louisiana:
8 Section 1. The introductory paragraphs of R.S. 39:198(I) and 198(I)(8), and R.S.
9 39:198(I)(2), (6), (8)(b) and (c), and (9) are hereby amended and reenacted to read as
10 follows:
11 §198. Types of contracts permitted
12 * * *
13 I. Contracts for fiscal intermediary services. State agencies may enter into
14 contracts for fiscal intermediary services. The term of such a contract shall be
15 one hundred twenty months. If special circumstances, as provided in
16 Paragraph (9) of this Subsection, necessitate, additional one-year extensions of the
17 contract may be granted. The award process and final contract shall include the
following:

* * *

(2) Justification for the contract shall be submitted to the state central purchasing agency and shall be submitted to the House and Senate committees on health and welfare Joint Legislative Committee on the Budget at least forty-five days prior to the issuance of a solicitation for proposals. Within thirty days of receipt of the justification by the House and Senate committees on health and welfare, either Joint Legislative Committee on the Budget, the committee may convene a meeting separately or jointly for the purpose of conducting conduct a public hearing on the justification which was submitted. Such This justification shall include identification and consideration of all factors, including costs, relevant to the solicitation for proposals and the final contract.

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(6) No award of the contract shall be made until the House and Senate committees on health and welfare, meeting jointly or a joint subcommittee thereof Joint Legislative Committee on the Budget has conducted a public hearing concerning such the award.

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(8) No option to renew such the contract shall be exercised by the state until the following criteria have been satisfied:

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(b) The Louisiana Department of Health submits to the House and Senate committees on health and welfare Joint Legislative Committee on the Budget a notice of intention by the Louisiana Department of Health to exercise the option to renew such the contract and a copy of any public testimony which was taken at the public hearing held by the Louisiana Department of Health. The House and Senate committees on health and welfare, meeting separately or jointly, Joint Legislative Committee on the Budget may hold a public hearing concerning such the renewal within thirty days following the receipt of a notice of intention by the Louisiana Department of Health.
Department of Health to exercise the option to renew such the contract.

(c) The House and Senate committees on health and welfare, meeting separately or jointly, have Joint Legislative Committee on the Budget has conducted a public hearing concerning such the renewal or thirty days have elapsed from the date the Louisiana Department of Health submitted a notice of intention to renew such the contract to the House and Senate committees on health and welfare and neither Joint Legislative Committee on the Budget and the committee has not posted a public notice of meeting concerning the renewal of such the contract.

(9) In the event the Louisiana Department of Health or the United States Department of Health and Human Services, Centers for Medicare and Medicaid Services proposes substantial changes in the operations of the Medicaid program that would materially impact the services performed by the fiscal intermediary, the Louisiana Department of Health may, subject to the approval of the House and Senate committees on health and welfare Joint Legislative Committee on the Budget, approve additional extensions of the contract until such the time as it is practical to prepare a solicitation for proposals describing the revised services that would be performed by the fiscal intermediary. During the time frame covered by any extension beyond the original one-hundred-twenty-month period, the fiscal intermediary may be required to perform additional functions to assist in preparing the Louisiana Department of Health in the transition to the new program. Such These functions may include existing fiscal intermediary services as well as efforts to control fraud and abuse, program reports, beneficiary enrollment and program information services, encounter data, and annual managed care negotiation data.

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The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Martha S. Hess.
Legislative Committee on the Budget.

Effective August 1, 2022.

(Amends R.S. 39:198(I)(intro para), (I)(2), (6), (8)(intro para), (b) and (c), and (9))