AN ACT

To amend and reenact R.S. 39:198(I)(introductory paragraph), (2), (6), (8)(introductory paragraph), (b), and (c), and (9), relative to contracts for fiscal intermediary services; to provide for the transfer of contract award oversight from the House and Senate committees on health and welfare to the Joint Legislative Committee on the Budget; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:198(I)(introductory paragraph), (2), (6), (8)(introductory paragraph), (b), and (c), and (9) are hereby amended and reenacted to read as follows:

§198. Types of contracts permitted

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I. Contracts for fiscal intermediary services. State agencies may enter into contracts for fiscal intermediary services. The term of such a contract shall be one hundred twenty months. In the event special circumstances, as provided in Paragraph (9) of this Subsection, necessitate, additional one-year extensions of the contract may be granted. The award process and final contract shall include the following:

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(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

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justification which was submitted. Such 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 has conducted a public hearing concerning such award.

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(8) No option to renew such 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 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 renewal within thirty days following the receipt of a notice of intention by the Louisiana Department of Health to exercise the option to renew such 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 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 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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PRESIDENT OF THE SENATE

SPEAKER OF THE HOUSE OF REPRESENTATIVES

GOVERNOR OF THE STATE OF LOUISIANA

APPROVED: ________________

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