

2020 Regular Session

SENATE BILL NO. 63

BY SENATOR FRED MILLS

HEALTH SERVICES. Provides relative to contracts for fiscal intermediary services.
(8/1/20)

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

6 Be it enacted by the Legislature of Louisiana:

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

9 §198. Types of contracts permitted

10 * * *

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

1 * * *

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

12 * * *

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

17 * * *

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

20 * * *

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

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

8 (9) In the event the Louisiana Department of Health or the United States
 9 Department of Health and Human Services, Centers for Medicare and Medicaid
 10 Services proposes substantial changes in the operations of the Medicaid program that
 11 would materially impact the services performed by the fiscal intermediary, the
 12 Louisiana Department of Health may, subject to the approval of the ~~House and~~
 13 ~~Senate committees on health and welfare~~ **Joint Legislative Committee on the**
 14 **Budget**, approve additional extensions of the contract until such time as it is
 15 practical to prepare a solicitation for proposals describing the revised services that
 16 would be performed by the fiscal intermediary. During the time frame covered by
 17 any extension beyond the original one-hundred-twenty-month period, the fiscal
 18 intermediary may be required to perform additional functions to assist in preparing
 19 the Louisiana Department of Health in the transition to the new program. Such
 20 functions shall include existing fiscal intermediary services as well as efforts to
 21 control fraud and abuse, program reports, beneficiary enrollment and program
 22 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 Christine Arbo Peck.

DIGEST

SB 63 Original

2020 Regular Session

Fred Mills

Present law provides fiscal intermediary contract award oversight to the House and Senate committees on health and welfare. Proposed law transfers fiscal intermediary contract award oversight from the House and Senate committees on health and welfare to the Joint Legislative Committee on the Budget.

Coding: Words which are ~~struck through~~ are deletions from existing law; words in **boldface type and underscored** are additions.

Effective August 1, 2020.

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