HLS 24RS-1647 ENGROSSED

2024 Regular Session

HOUSE BILL NO. 780

1

BY REPRESENTATIVE HUGHES

PROCUREMENT: Provides relative to the extension of existing fiscal intermediary services contracts

AN ACT

2	To amend and reenact R.S. 39:198(I)(introductory paragraph) and (3), relative to contracts
3	for fiscal intermediary services; to provide with respect to extension of such
4	contracts; and to provide for related matters.
5	Be it enacted by the Legislature of Louisiana:
6	Section 1. R.S. 39:198(I)(introductory paragraph) and (3) are hereby amended and
7	reenacted to read as follows:
8	§198. Types of contracts permitted
9	* * *
10	I. Contracts for fiscal intermediary services. State agencies may enter into
11	contracts for fiscal intermediary services. The term of the contract shall be one
12	hundred twenty months. If special circumstances, as provided in Paragraph (9) of this
13	Subsection, necessitate, additional one-year extensions of the contract, not to exceed
14	three years for each such extension, may be granted. The award process and final
15	contract shall include the following:
16	* * *
17	(3) The one-hundred-twenty-month term of such contract shall be divided
18	into one period of between thirty-six months and sixty months, immediately followed
19	by successive twelve-month periods. The state shall have an option to renew such
20	contract for each of the twelve-month periods. If the state does not exercise its

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CODING: Words in struck through type are deletions from existing law; words <u>underscored</u> are additions.

option to renew, the contract shall be terminated. In the event special circumstances

occur, as provided in Paragraph (9) of this Subsection, additional twelve-month

extensions of the contract, not to exceed three years for each such extension, may be

granted.

\* \* \* \*

**DIGEST** 

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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**Abstract:** Authorizes extension of fiscal intermediary services contracts for periods up to three years at a time.

<u>Present law</u> authorizes state agencies to procure contracts for fiscal intermediary services. Defines "fiscal intermediary services" as an information technology system including but not limited to electronic visit verification, third-party liability, financial management, provider management system, care management, healthcare claims and encounter processing, payment integrity, data warehousing, and pharmacy benefit management, that is used for managing all or part of a Medicaid program. Proposed law retains present law.

<u>Present law</u> provides that the term of any fiscal intermediary services contract shall be 120 months. <u>Proposed law</u> retains <u>present law</u>. <u>Present law</u> provides that if special circumstances, as defined in <u>present law</u>, necessitate, additional one-year extensions of the contract may be granted. <u>Proposed law</u> changes this <u>from</u> one-year extensions <u>to</u> extensions up to three years.

(Amends R.S. 39:198(I)(intro. para.) and (3))