

2022 Regular Session

SENATE BILL NO. 15

BY SENATOR FRED MILLS

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~~ the contract shall be  
15 one hundred twenty months. ~~In the event~~ **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

1 following:

2 \* \* \*

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

13 \* \* \*

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

18 \* \* \*

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

21 \* \* \*

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

1 Department of Health to exercise the option to renew ~~such~~ **the** contract.

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

9 (9) In the event the Louisiana Department of Health or the United States  
 10 Department of Health and Human Services, Centers for Medicare and Medicaid  
 11 Services proposes substantial changes in the operations of the Medicaid program that  
 12 would materially impact the services performed by the fiscal intermediary, the  
 13 Louisiana Department of Health may, subject to the approval of the ~~House and~~  
 14 ~~Senate committees on health and welfare~~ **Joint Legislative Committee on the**  
 15 **Budget**, approve additional extensions of the contract until ~~such~~ **the** time as it is  
 16 practical to prepare a solicitation for proposals describing the revised services that  
 17 would be performed by the fiscal intermediary. During the time frame covered by  
 18 any extension beyond the original one-hundred-twenty-month period, the fiscal  
 19 intermediary may be required to perform additional functions to assist in preparing  
 20 the Louisiana Department of Health in the transition to the new program. ~~Such~~ **These**  
 21 functions may include existing fiscal intermediary services as well as efforts to  
 22 control fraud and abuse, program reports, beneficiary enrollment and program  
 23 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.

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SB 15 Engrossed

DIGEST  
 2022 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.

Effective August 1, 2022.

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