

2016 Regular Session

HOUSE BILL NO. 71

BY REPRESENTATIVE COX

PROCUREMENT: Provides for the extension of a Medicaid fiscal intermediary services contract

1 AN ACT

2 To amend and reenact R.S. 39:198(I)(introductory paragraph), (3), and (9), relative to  
3 contracts for fiscal intermediary services in processing claims of healthcare  
4 providers; to provide for extensions of the contract; and to provide for related  
5 matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 39:198(I)(introductory paragraph), (3), and (9) are hereby amended  
8 and 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 healthcare 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 in ninety-day increments up to three hundred sixty days may be granted. The  
17 award process and final contract shall include the following:

18 \* \* \*

19 (3) The one-hundred-twenty-month term of such contract shall be divided  
20 into one period of between thirty-six months and sixty months, immediately followed  
21 by successive twelve-month periods. The state shall have an option to renew such  
22 contract for each of the twelve-month periods. If the state does not exercise its



Present law further provides that the term of a contract for fiscal intermediary services shall be 120 months. Further, the contract may be extended under certain circumstances for additional 12-month periods.

Proposed law changes the allowable time period for extensions from 12-month to 90-day increments, up to 360 days.

(Amends R.S. 39:198(I)(intro. para.), (3), and (9))