

2024 Regular Session

HOUSE BILL NO. 780

BY REPRESENTATIVE HUGHES

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

1 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

1 option to renew, the contract shall be terminated. In the event special circumstances
 2 occur, as provided in Paragraph (9) of this Subsection, additional ~~twelve-month~~
 3 extensions of the contract, not to exceed three years for each such extension, may be
 4 granted.

5 * * *

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)]

HB 780 Original

2024 Regular Session

Hughes

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

Present law 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.

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

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