

AN ACT

To amend and reenact R.S. 39:198(D)(2) and (8), relative to contracts for fiscal intermediary services in processing claims of health care providers; to provide for submission of justification for the issuance of a solicitation for proposal; to provide for the exercise of an option to renew; to provide for public hearings; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 39:198(D)(2) and (8) are hereby amended and reenacted to read as follows:

§198. Types of contracts permitted

The types of contracts permitted in the procurement of data processing equipment, related services, and software are defined herein, and the provisions of this Part supersede, with respect to such procurements, any existing conflicting statutory provisions.

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

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

11 * * *

12 (8) No option to renew such contract shall be exercised by the state until after
13 a public hearing concerning such renewal has been held before the House and Senate
14 committees on Health and Welfare, meeting jointly or a joint subcommittee thereof:
15 the following criteria have been satisfied:

16 (a) The Department of Health and Hospitals has conducted a public
17 hearing concerning such renewal.

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

27 (c) The House and Senate committees on health and welfare, meeting
28 separately or jointly, have conducted a public hearing concerning such renewal
29 or thirty days have elapsed from the date the Department of Health and
30 Hospitals submitted a notice of intention to renew such contract to the House

