



GENERAL ASSEMBLY OF THE STATE OF TENNESSEE  
FISCAL REVIEW COMMITTEE

320 Sixth Avenue, North – 8<sup>th</sup> Floor  
NASHVILLE, TENNESSEE 37243-0057  
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**Sen. Bill Ketron, Chairman**

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Brian Kelsey            Ken Yager  
Steve Southerland  
Randy McNally, *ex officio*  
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Matthew Hill            Tim Wirgau  
Charles Sargent, *ex officio*  
Speaker Beth Harwell, *ex officio*

**M E M O R A N D U M**

TO:                    Mike Perry, Chief Procurement Officer  
                          Department of General Services

FROM:                Senator Bill Ketron, Chairman BK  
                          Representative Mark White, Vice-Chairman MW

DATE:                August 21, 2013

SUBJECT:            **Contract Comments**  
                          (Fiscal Review Committee Meeting 8/19/13)

**RFS# 317.86-00104 (Edison # 22045)**

**Department: Finance and Administration/Benefits Administration**

**Vendor: Cigna Health and Life Insurance Company (formerly Connecticut General Life Insurance Company)**

**Summary: The vendor provides medical claims administration services for state, local education, and local government members for the East PPO Grand Division of Tennessee. The proposed amendment corrects an error in the make-up of the East and Middle PPO Grand Divisions; increases the maximum liability by \$3,246,000; revises payment methodology regarding subrogation reimbursement; reflects a name change; and makes various changes to Attachment D – Subrogation Requirements.**

**Current maximum liability: \$44,386,705**

**Proposed maximum liability: \$47,632,705**

After review, the Fiscal Review Committee voted to recommend approval of the contract amendment.

cc: The Honorable Larry Martin, Commissioner