



**GENERAL ASSEMBLY OF THE STATE OF TENNESSEE
FISCAL REVIEW COMMITTEE**

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Brian Kelsey Ken Yager
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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
 Representative Mark White, Vice-Chairman

DATE: June 11, 2014

SUBJECT: Contract Comments
 (Fiscal Review Committee Meeting 6/9/2014)

BK MW

RFS# 318.65-00326 (Edison # 24534)
Department: Finance and Administration
Division: Health Care Finance and Administration/Bureau of TennCare
Vendor: Health Management Systems, Inc.
Summary: The vendor is responsible for the provision of third party liability recovery services and assistance to the State in post-payment identification, audit, and recovery of improper Medicaid payments. The proposed amendment revises the scope of services to require the vendor to pay any required actual court filing fees incurred for the Estate Recovery project which will be reimbursed by the State; and revises the payment methodology to reflect such reimbursement.
Current maximum liability: \$55,000,000
Proposed maximum liability: \$55,000,000

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

cc: The Honorable Darin Gordon, Deputy Commissioner