



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

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NASHVILLE, TENNESSEE 37243-0057
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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: August 26, 2014

SUBJECT: Contract Comments
(Fiscal Review Committee Meeting 8/25/2014)

RFS# 318.65-00346 (Edison # 34942)
Department: Finance and Administration
Division: Health Care Finance and Administration/Bureau of TennCare
Vendor: Magellan Medicaid Administration, Inc.
Summary: The vendor is responsible for the provision of an online Point-of-Sale (POS) pharmacy claims processing system. The proposed amendment revises the scope of services; increases maximum liability by \$2,311,002; revises payment methodology to include rates for the CoverRx Program; and updates Attachments A, C, and D.
Current maximum liability: \$59,348,018
Proposed maximum liability: \$61,659,020

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

cc: The Honorable Darin Gordon, Deputy Commissioner