



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                      *JK*  
                                 Representative Mark White, Vice-Chairman                      *MW*

DATE:                    November 13, 2013

SUBJECT:                **Contract Comments**  
                                 (Fiscal Review Committee Meeting 11/12/13)

**RFS# 318.66-052-07 (Edison # 29718)**

**Department: Finance and Administration**

**Division: Health Care Finance and Administration/Bureau of TennCare**

**Vendor: AMERIGROUP Tennessee, Inc.**

**Summary: The vendor is responsible for physical and behavioral health services for TennCare enrollees in the Middle Tennessee region. The proposed amendment contains several language updates, clarifications, and deletions; adds payment reform requirements; includes current capitation rates; and increases maximum liability by \$477,228,805.**

**Current maximum liability: \$6,139,826,091**

**Proposed maximum liability: \$6,617,054,896**

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

cc: The Honorable Darin Gordon, Deputy Commissioner