



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

320 Sixth Avenue, North – 8<sup>th</sup> Floor  
NASHVILLE, TENNESSEE 37243-0057  
615-741-2564

**Rep. Mark White, Chairman  
Representatives**

Brenda Gilmore                      Johnny Shaw  
Susan Lynn                            David Shepard  
Pat Marsh                              Ron Travis  
Bill Sanderson                        Tim Wirgau  
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Speaker Beth Harwell, *ex officio*

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Doug Overbey                        Ken Yager  
Steve Southerland  
Randy McNally, *ex officio*  
Lt. Governor Ron Ramsey, *ex officio*

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

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

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

**DATE:**                                October 14, 2015

**SUBJECT:**                            Contract Comments  
   (Fiscal Review Committee Meeting 10/13/2015)

MW  
BK

**RFS# 318.65-00326 (Edison # 24534)**  
**Department: Finance and Administration**  
**Division: Health Care Finance and Administration**  
**Vendor: Health Management Systems, Inc.**  
**Summary: The vendor is responsible for third party liability (TPL) recovery services and assistance to the State in post-payment identification, audit, and recovery of improper Medicaid payments. The proposed amendment increases maximum liability by \$16,500,000.**  
**Current maximum liability: \$55,000,000**  
**Proposed maximum liability: \$71,500,000**

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

cc: The Honorable Darin Gordon, Deputy Commissioner