



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

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

DATE: August 13, 2015

SUBJECT: Contract Comments
 (Fiscal Review Committee Meeting 8/12/2015)

MW
BK

RFS# 318.65-00375 (Edison # 41959)

Department: Finance and Administration

Division: Health Care Finance and Administration

Vendor: McKinsey & Company, Inc.

Summary: The vendor is responsible consulting services to assist in implementing retrospective episode-based payments under the Tennessee Health Care Innovation Initiative. The proposed amendment increases the maximum liability by \$10,587,739 to reflect new grant dollars.

Current maximum liability: \$12,912,261

Proposed maximum liability: \$23,500,000

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

cc: The Honorable Darin Gordon, Deputy Commissioner