



**Office of State Procurement  
PROACT Contract Certification of Approval**

**This certificate serves as confirmation that the Office of State Procurement  
has reviewed and approved the contract referenced below.**

**Reference Number:** 2000114167 ( 2)

**Vendor:** Myers and Stauffer LC

**Description:** Provide accounting & auditing services for managed care program

**Approved By:** Pam Parker

**Approval Date:** 9/01/2017

Your amendment that was submitted to OSP has been approved.

AMENDMENT TO  
AGREEMENT BETWEEN STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH

Amendment #: 2  
LAGOV#: 2000114167  
LDH #: 060568

(Regional/ Program/ Facility) Bureau of Health Services Financing  
AND  
Myers and Stauffer LC  
Contractor Name

Original Contract Amt \$ 2,787,500.00  
Original Contract Begin Date 06-01-2015  
Original Contract End Date 05-31-2018  
RFP Number:

AMENDMENT PROVISIONS

Change Contract From: From Maximum Amount: \$ 3,207,500.00 Current Contract Term: 6/1/2015 - 5/31/2018

CF-1 Block 13 Maximum Contract Amount: \$3,207,500 SFY16: \$1,382,500 SFY17: \$930,000 SFY18: \$895,000  
Statement of Work - see attached changes  
Board Resolution - see updated document

Change Contract To: To Maximum Amount: \$ 3,400,000.00 Changed Contract Term: N/A

CF-1 Block 13 Maximum Contract Amount: \$3,400,000 SFY16: \$1,012,562.50 SFY17: \$1,051,437.50 SFY18: \$1,336,000.00  
Statement of Work - see attached changes  
Board Resolution - see updated document

Justifications for amendment:  
Contractor will assist with the examination of the 2015 Medical Loss Ratio report submitted by the Statewide Management Organization (SMO) and with SMO claims processing timeliness monitoring, which is a corrective action in response to the Louisiana Legislative Auditor. Contractor will produce three additional dental encounter reconciliation reports in order to provide full coverage through the final contract year. Additional hours are needed for the development of the annual transparency report required by Act 158 of the 2015 Regular Legislative Session. Due to overruns for the transparency report, the ad hoc pool must also be replenished. (See attached Summary of Amendment Changes.)

This Amendment Becomes Effective: 08-01-2017

This amendment contains or has attached hereto all revised terms and conditions agreed upon by contracting parties.

IN WITNESS THEREOF, this amendment is signed and entered into on the date indicated below.

CONTRACTOR  
Myers and Stauffer LC  
CONTRACTOR SIGNATURE DATE 8/21/17  
PRINT NAME Michael D. Johnson  
CONTRACTOR TITLE Member

STATE OF LOUISIANA  
LOUISIANA DEPARTMENT OF HEALTH  
Secretary, Louisiana Department of Health or Designee  
SIGNATURE DATE 8/23/17  
NAME Jen Steele  
TITLE Medicaid Director  
OFFICE Bureau of Health Services Financing

PROGRAM SIGNATURE DATE  
NAME

## STATEMENT OF WORK

## Attachment B

### GOAL/PURPOSE

The purpose of the contract is for the Contractor to provide accounting services to support the operation of Medicaid managed care, specifically minimizing the Department's risk in the areas of member care and administration, data quality, and financial management. Myers and Stauffer LC will assist the Department with accomplishing its goal of ensuring that Medicaid managed care members are receiving high quality coordinated care at the lowest cost.

The contractor shall provide the following services:

- 1) Assistance with encounter data management to facilitate and provide for complete and accurate encounter data available for financial rate setting and member services oversight of Medicaid managed care (Bayou Health and Dental Benefit Management Program (DBMP);
- 2) Assistance with External Quality Review (EQR) functions in accordance with the Centers for Medicare and Medicaid's *EQR Protocol 4 Validation of Encounter Data Reported by the MCO*, published in September 2012. (Protocol is available on the CMS website at <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Quality-of-Care/Quality-of-Care-External-Quality-Review.html>); and
- 3) Assistance with the examination of the Medical Loss Ratio (MLR) reports submitted by each Managed Care Organization (MCO) on an annual basis **and by the Statewide Management Organization (SMO) for calendar year 2015.**
- 4) Assistance with the development of the annual Transparency Report required by Act 158 of the 2015 Regular Legislative Session, specifically source data validation.
- 5) **Assistance with SMO claims processing timeliness monitoring by providing monthly turnaround time reporting from the encounter data submitted by the SMO to LDH–Office of Behavioral Health (OBH).**
- 6) Ad hoc analyses and reports as requested by the Department.

All services shall be performed in accordance with applicable professional standards promulgated by the AICPA.

The contractor shall notify the contract monitor within three business days of any encounters matters that could impede the timely completion of deliverables and of any of any potential risks to the Department identified.

The contractor shall report immediately to the Medicaid Deputy Director for Managed Care and the Department's Office of the Inspector General any matters of fraud identified.

### DELIVERABLES

- 1) Encounter Data Reconciliation
  - a) Analyze the encounter processes and documentation (i.e. Companion Guides) utilized by the Fiscal Agent Contractor (FAC);

- b) Meet with each MCO/DBMP submitting encounters to the Department's FAC to gain and document an understanding of the claims adjudication, adjustment, and void processes;
- c) Identify potential issues and concerns with the processes outlined above;
- d) Obtain all encounter claim data accepted by the FAC as submitted from the MCOs/DBMP. Perform quality assurance processes to arrive at a clean set of data;
- e) Work with the FAC to establish a process whereby encounters are obtained in a routine, weekly process;
- f) Analyze the weekly encounter submissions submitted by the MCOs/DBMP to the FAC and report to the Department on volumes and potential issues identified;
- g) Review encounter submission error reports with MCOs/DBMP and address identified issues with each plan;
- h) Document issues and MCO/DBMP commitments made to the Department and assist with determination of achievement of goals/commitments;
- i) Document and assist the Department with modification requests submitted to the FAC and monitor the progress and success of the requests;
- j) Conduct meetings with the MCOs/DBMP as needed to address common errors, edits, or problems identified by the MCOs/DBMP as a barrier to successful encounter submissions;
- k) Obtain cash disbursement journals (CDJ) and other necessary financial records from each of the MCOs/DBMP reflecting the payments to providers for medical services;
- l) Reconcile the CDJ to the MCO/DBMP submitted encounter data, identifying potential issues or missing encounters;
- m) Provide initial exception reports to each of the MCOs/DBMP to explain or correct potential issues in the encounter data;
- n) Provide completion reports on a frequency as determined by the Department. (Anticipated report frequency is on a bi-monthly basis.);
- o) Conduct additional analyses to measure the reliability and accuracy of encounter and member data used to establish capitation rates (i.e., inaccurate encounter and member data could lead to higher than necessary capitation rates);
- p) Maintain a database of all encounters including an audit status and audit amount for each encounter; and
- q) Coordinate with the Department's actuary, and any other third parties users requiring access to audited encounter data, as directed by the Department.

## 2) External Quality Review (EQR) Protocol 4 Activities

- a) Activity 1 – Review State Requirements to ensure complete understanding of all applicable requirements related to health plans and any additional requirements related to CMS EQR Protocol 4.
- b) Activity 2 – Review MCO's/DBMP's Capability
  - i) Review or conduct the MCO's/DBMP's Information Systems Capabilities Assessment (ISCA).

- ii) Determine vulnerabilities which the MCO's/DBMP's information systems may contain that may lead to incomplete or inaccurate data capture, integration, storage, or reporting.
  - iii) Identify issues that may contribute to inaccurate or incomplete data.
  - iv) Conduct interview of MCO/DBMP staff.
- c) Activity 3 – Analyze Electronic Encounter Data
  - i) Develop a data quality test plans.
  - ii) Account for edits built into the State's data system.
  - iii) Determine types of potentially missing encounter data.
  - iv) Determine overall data quality issues and MCO/DBMP submission issues.
  - v) Generate and review analytic reports (perform micro-analysis on encounter data).
  - vi) Analyze encounter data.
  - vii) Develop long-term monitoring strategy for assessing the quality of encounter data.
- d) Activity 4 – Review Medical Records. In coordination with ~~DHH-LDH~~ and utilizing analytical procedures to assist in determining risk areas and hypotheses, develop a statistically valid sample of encounter claims to perform a medical record review. Ensure sample size is efficient and appropriate.
- e) Activity 5 – Submit Findings. At the conclusion of activities, develop and submit a report of findings and recommendations for each MCO/DBMP.
- 3) Examination of MLR Reports – Bayou Health and **Louisiana Behavioral Health Partnership (LBHP)**
  - a) Review MLR reports submitted by each MCO/**SMO**.
  - b) Request supporting documentation from each MCO/**SMO**, including trial balance, claim lag reports, and other claim and financial information.
  - c) Perform analyses to ensure the definitions and assignments of medical and administration expenses are appropriate.
  - d) **Perform analyses related to LBHP expenditures including non-risk payments and the MLR report submitted by the SMO.**
  - e) Follow up with **each** MCO/**SMO**, as necessary, to complete analysis.
  - f) Develop and submit summary of findings and issue Independent Accountant's report.
- 4) Assistance with development of the annual transparency report required by Act 158 of the 2015 Regular Legislative Session, specifically to minimize future audit findings
  - a) Review Act 158, previous annual transparency reports, and related legislative audit findings.
  - b) Understand available data sources, assist with the design of data specifications to meet reporting requirements using available data, and assist with the documentation of such including any known limitations or qualifications.
  - c) Assist with the development and application of protocols, procedures, and process documentation necessary to independently evaluate data reported for

completeness, accuracy, comparability and reasonability. Prepare a summary report of findings and recommendations from the data evaluation process.

- d) Assist with the review and analysis of data results, including identifying and explaining trends and anomalies, including whether meaningful or data artifacts.
- e) Assist with preparation of data tables and narratives to constitute the final transparency report, as well as any other supporting documentation likely to be requested by legislative auditors.

**5) Assistance with SMO claims processing timeliness monitoring by providing monthly turnaround time reporting from the encounter data submitted by the SMO to LDH–OBH.**

- a) Review encounter data on a monthly basis with reporting on the timespan for claims receipt and adjudication, indicating the time lapse between the date of service and the date that payment was made to the provider in order to ensure the timely filing parameter, per the contract, have been met.

## **PERFORMANCE MEASURE**

The contractor will submit detailed monthly invoices due on the 15<sup>th</sup> of each month documenting the activities performed and the status of outstanding deliverables.

## **MONITORING PLAN**

- 1) The contractor will maintain a current work plan of all project tasks, activities and resources including estimated start and completion dates, actual start and completion dates, estimated and actual task hours, and completion percentages of all in-process tasks. This work plan will be submitted and approved by ~~DHH~~LDH on a monthly basis.
- 2) **The monitoring of this contract will be performed by the Medicaid Program Manager 2 or his/her designee/successor. (Teresa Bravo currently holds the position of the Medicaid Program Manager 2.)**
- 3) The ~~DHH~~LDH contract monitor will:
  - a. Be available for consultation by phone, e-mail, and face-to-face meetings to discuss priorities and provide direction;
  - b. Meet with the contractor on a weekly basis, if needed, by telephone to ensure that work toward the completion of deliverables is being accomplished; and
  - c. Review and approve monthly detailed invoices.

## **TERMS OF PAYMENT**

The contract shall begin on June 1, 2015, and end on May 31, 2018. For the 36-month contract term, the contract amount shall not exceed ~~\$3,207,500~~ **\$3,400,000**. The activities will be performed for a fixed rate or at an hourly rate as outlined below.

### **Fixed Deliverable Pricing**

Deliverable #1a – Encounter Data Reconciliation – Bayou Health

For encounter data reconciliation, the deliverables shall consist of six bimonthly encounter reconciliation reports for each MCO for each contract year, for a total of 90 reports over the contract term. Deliverables for the first year of the contract term will be compensated at different prices for the new Bayou Health MCOs and incumbent MCOs. For the two new Bayou Health MCOs, each of the three initial reconciliation reports shall be compensated at a fixed price of \$27,500; each of the subsequent three reconciliation reports submitted during the first year of the contract term shall be compensated at a fixed price of \$17,500. For the incumbent MCOs, each reconciliation report shall be compensated at a fixed price for \$17,500. Deliverables for the second and third years of the contract term will consist of a fixed price of \$17,500 for each report. All costs above the agreed upon fixed price for each report will be incurred by the contractor. Total compensation for all reconciliation reports submitted over the full 36 month contract term shall not exceed \$1,635,000.

Payment will be based on approval of invoices and deliverables. ~~DHH~~**LDH** must provide the contractor with written approval for services billed on a fixed price basis, and a copy of such approval must be submitted with the invoice. For each month in the contract period, invoices are due by the fifteenth of the month for the prior month's deliverables. Contractor must submit final invoices within 15 days after termination of contract.

#### Deliverable #1b – Encounter Reconciliation - DBMP

For encounter reconciliation for DBMP, the deliverables shall consist of three encounter reconciliation reports for the first contract year, six reports for the second contract year, and ~~four~~**seven** reports for the final contract year. Each of the three initial reconciliation reports shall be compensated at a fixed price of \$27,500. Deliverables for the second and third years of the contract term will consist of a fixed price of \$17,500 for each report. All costs above the agreed upon fixed price for each report will be incurred by the contractor. Total compensation for all reconciliation reports submitted over the full 36 month contract term shall not exceed ~~\$257,500~~**\$310,000**.

Payment will be based on approval of invoices and deliverables. ~~DHH~~**LDH** must provide the contractor with written approval for services billed on a fixed price basis, and a copy of such approval must be submitted with the invoice. For each month in the contract period, invoices are due by the fifteenth of the month for the prior month's deliverables. Contractor must submit final invoices within 15 days after termination of contract.

#### Deliverable #2a – EQR Protocol 4 Activities – Bayou Health

For EQR activities for Bayou Health, the deliverable shall consist of a final report of findings and recommendation for each of the two new Bayou Health MCOs. Each final report shall be compensated at a fixed price of \$150,000. All costs above the agreed upon fixed price of \$150,000 per final report will be incurred by the contractor. Total payments for EQR deliverables for Bayou Health shall not exceed \$300,000 for the term of the contract.

Payment will be based on approval of invoices and deliverables. ~~DHH~~**LDH** must provide the contractor with written approval for services billed on a fixed price basis, and a copy of such approval must be submitted with the invoice. Contractor must submit final invoices within 15 days after termination of contract.

#### Deliverable #2b – EQR Protocol 4 Activities - DBMP

For EQR activities for DBMP, the deliverable shall consist of a final report of findings and recommendations, which shall be compensated at a fixed price of \$75,000. All costs above the agreed upon fixed price will be incurred by the contractor. Total payments for EQR deliverables for Bayou Health shall not exceed \$75,000 for the full 36 month term of the contract.

Payment will be based on approval of invoices and deliverables. ~~DHH~~LDH must provide the contractor with written approval for services billed on a fixed price basis, and a copy of such approval must be submitted with the invoice. Contractor must submit final invoices within 15 days after termination of contract.

#### Deliverable #3a – Examination of MLR Reports – Bayou Health

The deliverables shall consist of an annual MLR examination for each of the participating MCOs for that examination year, for a total of 13 reports over the three-year contract period. The cost of the examination of the MLR report for each MCO will be \$40,000 for a total cost of \$520,000.

Additionally, examinations of unaudited 2012 MLR reports submitted by the MCOs shall be compensated at a fixed price of \$40,000 per report for a total cost of \$120,000.

Payment will be based on approval of invoices and deliverables. ~~DHH~~LDH must provide the contractor with written approval for services billed on a fixed price basis, and a copy of such approval must be submitted with the invoice. For each month in the contract period, invoices are due by the fifteenth of the month for the prior month's deliverables. Contractor must submit final invoices within 15 days after termination of contract.

#### Deliverable #3b – Examination of 2015 MLR Report – LBHP

The deliverable shall consist of one 2015 MLR examination for the participating SMO for that examination year. The examination of the 2015 MLR report submitted by the SMO shall be compensated at a fixed price of \$40,000.

Payment will be based on approval of invoices and deliverables. LDH must provide the contractor with written approval for services billed on a fixed price basis, and a copy of such approval must be submitted with the invoice. For each month in the contract period, invoices are due by the fifteenth of the month for the prior month's deliverables. Contractor must submit final invoices within 15 days after termination of contract.

#### Deliverable #5 – Assistance with SMO claims processing timeliness monitoring – LBHP

The deliverable shall consist of monthly turnaround time reporting from the encounter data submitted by the SMO to LDH–OBH. This deliverable, comprising all monthly turnaround time reporting, shall be compensated at a fixed price of \$10,000.

Payment will be based on approval of invoices and deliverables. LDH must provide the contractor with written approval for services billed on a fixed price basis, and a copy of such approval must be submitted with the invoice. For each month in the contract period, invoices are due by the fifteenth of the month for the prior month's deliverables. Contractor must submit final invoices within 15 days after termination of contract.

#### Hourly Basis Pricing

#### Deliverable #4 – Assistance with annual Transparency Report (Act 158 of the 2015 Regular Legislative Session)

The contractor shall be compensated on an hourly rate for activities related to deliverable #4. The hourly rate, inclusive of travel and any and all other costs associated with the services provided, regardless of the position or level of staff providing services for ad hoc activities, is \$150.00. Compensation on an hourly basis shall not exceed \$60,000 for any

~~single contract year~~ **each of the first and second contract years and \$120,000 for the final contract year**, or ~~\$180,000~~ **\$240,000** for the term of the contract.

Payment will be based on approval of invoices and deliverables. ~~DHH~~ **LDH** must provide the contractor with written approval for services billed on an hourly rate basis, and a copy of such approval must be submitted with the invoice. For each month in the contract period, invoices are due by the fifteenth of the month for the prior month's deliverables. Contractor must submit final invoices within 15 days after termination of contract.

#### Ad Hoc Activities

Exclusive of fixed price deliverables, the contractor shall be compensated on an hourly rate. The hourly rate, inclusive of travel and any and all other costs associated with the services provided, regardless of the position or level of staff providing services for ad hoc activities, is \$150.00. Compensation on an hourly basis for ad hoc activities shall not exceed ~~\$120,000~~ **\$150,000** for the remaining period of the contract.

Payment will be based on approval of invoices and deliverables. ~~DHH~~ **LDH** must provide the contractor with written approval for services billed on an hourly rate basis, and a copy of such approval must be submitted with the invoice. For each month in the contract period, invoices are due by the fifteenth of the month for the prior month's deliverables. Contractor must submit final invoices within 15 days after termination of contract.



**MYERS AND  
STAUFFER** LC  
CERTIFIED PUBLIC ACCOUNTANTS

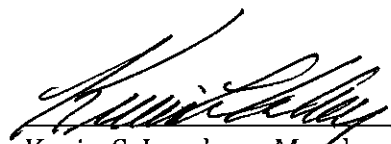
MYERS AND STAUFFER LC  
Certificate of Authority

I, Kevin C. Londeen, hereby certify that I am a member of the Executive Committee of Myers and Stauffer LC, a Kansas limited liability company also doing business in other states. I hereby certify the following is a true copy of an action taken by the Executive Committee at a meeting held on April 13, 2017.

We hereby authorize the following individuals to enter into contracts and agreements with state agencies on behalf of Myers and Stauffer LC. We further authorize said individuals to execute any documents with state agencies, which may in their judgment be desirable or necessary to properly discharge our contractual obligations. The authority to sign the amendment documents remains in full force and effect and has not been revoked as of the date the amendment document was signed.

Tamara B. Bensky (M)	Timothy J. Guerrant (M)	Kevin C. Londeen (M)
Robert M. Bullen (M)	T. Allan Hansen (P)	Tammy M. Martin (M)
Keenan S. Buoy (M)	Robert J. Hicks (M)	Sheryl M. Pannell (M)
John B. Dresslar (M)	Mark K. Hilton (M)	Amy C. Perry (M)
Jerry Dubberly (P)	Michael D. Johnson (M)	Andrew R. Ranck (M)
Jared B. Duzan (P)	Beverly L. Kelly (M)	Connie L. Reinhardt (M)
James D. Erickson (M)	Kristopher J. Knerr (M)	Charles T. Smith (M)
Ryan M. Farrell (P)	Mark R. Korpela (P)	Keith R. Sorensen (M)
Ronald E. Franke (P)	John D. Kraft (M)	Frank N. Vito (M)

(M) = Member, (P) = Principal



Kevin C. Londeen, Member

## SUMMARY OF AMENDMENT CHANGES

Contractor: Myers and Stauffer LC

PO#: 2000114167

Amendment #2 to the Myers and Stauffer contract applies the following changes to the Statement of Work, bringing the contract total from \$3,207,500 to \$3,400,000.

1	Expanded deliverable #3 to include one CY 2015 Medical Loss Ratio (MLR) audit of the report submitted by the Statewide Management Organization (SMO) for the Louisiana Behavioral Health Partnership, which was the system of care for Medicaid and non-Medicaid adults and children who required specialized behavioral health services.	\$ 40,000	Fixed
2	Added deliverable #5 for a monthly report on timely filing based on SMO encounter submissions. This was part of the Department's corrective action in response to the LLA to better monitor the 365 day turnaround.	\$ 10,000	Fixed
3	Added three reports to the existing Dental Encounter Reconciliation deliverable #1b. These are done every other month, but the contract only accounted for three remaining where there should have been six.	\$ 52,500	Fixed
4	Added 400 hours for Transparency Report deliverable #4. There have been overruns the last two years for this activity. This report satisfies statutory reporting requirements intended to ensure specific outcomes are being achieved by Medicaid managed care programs.	\$ 60,000	Hourly
5	Replenished Ad Hoc pool with an additional 200 hours. The original pool of 800 hours was exhausted due to overruns on Transparency Report work.	\$ 30,000	Hourly
	<b>Amendment #2 increase</b>	<b>\$ 192,500</b>	



**State of Louisiana**  
Louisiana Department of Health  
Bureau of Health Services Financing

August 24, 2017

Ms. Pamela Bartfay Rice, Esq.  
Assistant Director, Professional Contracts  
Office of State Procurement  
P. O. Box 94095  
Baton Rouge, Louisiana 70804-9095

Dear Ms. Rice:

The following amendment is being submitted to your office this date for review and approval in accordance with Louisiana Revised Statutes 39:1481, et seq. and the rules and regulations adopted pursuant thereto:

Submitting Agency – Louisiana Department of Health

Contractor – Myers and Stauffer LC

Amount – \$3,400,000.00

Your consideration in this regard is greatly appreciated. If additional information is needed, please contact me at (225) 342-9480.

Sincerely,

A handwritten signature in blue ink that reads "Teresa Bravo".

Teresa Bravo  
Medicaid Program Manager 2



# Contract Review – Agency Request Form

Form Revision Date: 03/16

## FOR CIVIL SERVICE USE ONLY

Effective Date of Contract	Approval Date	
	SCS Commission Approval (if required)	SCS Approval (Initial and Date)
		MWH 8/24/17
Comments		

## COMPLETE THE FOLLOWING INFORMATION FOR REQUESTS DEALING WITH THE CONTRACTING OF STATE SERVICES AND/OR STATE PERSONNEL

Agency Name	Personnel Area Number	Agency Number
Bureau of Health Services Financing	7201	305

## CONTRACT INFORMATION

Contract #	Name of Contractor	
2000114167	Myers and Stauffer LC	
Is this an amendment to an existing contract?		If yes, OCR # (if applicable)
Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>	734649
Start Date of Contract	End Date of Contract/Amendment	Dollar Amount of Contract (Including Amendment)
6/1/2015	5/31/2018	\$3,400,000.00

## CONTRACT DETAILS PROVIDED BY AGENCY TO SCS

*Provide a brief overview of services to be performed to include the following:*

Services to be replaced/provided by a contractor:

Contractor provides accounting and auditing services to support operation of the Medicaid managed care program to minimize the Department's risk in the areas of member care and administration, data quality, and financial management. The contractor will assist the Department with accomplishing its goal of ensuring that Medicaid managed care recipients are receiving high-quality care at the lowest cost.

## Advantages of contracting out services:

The Department of Health has no staff with the required qualifications to perform these services.

## Justification for contracting out services:

The Department of Health has no staff with the required qualifications to perform these services.

## POTENTIAL IMPACTS ON CLASSIFIED STATE EMPLOYEES

Will this contract result in the removal of responsibilities from one or more classified state employees?

Yes ☐

No ☒

*Will this contract establish a relationship wherein an employee or official of the state takes the following actions:*

Determines the work hours of the person performing the contractual services	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Determines the day to day duties of that person	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Approves the absences from the work place of that person	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

***If the answer to all of the previous four questions is "NO," please email this completed form to [DSCScontractreview@la.gov](mailto:DSCScontractreview@la.gov) or send it in PROACT for SCS approval. If the answer to any of the questions is "YES," please complete the "Notification of SCS Commission's Authority on Contracts" portion of the form and then submit two copies of the proposed contract with this form to the Department of State Civil Service, Employee Relations Division, P.O. Box 94111, Baton Rouge, LA 70804-9111.***

#### **NOTIFICATION OF SCS COMMISSION'S AUTHORITY ON CONTRACTS**

An agency requesting approval of an outsourcing contract which will result in the involuntary displacement of a classified employee must have the State Civil Service Commission's approval as provided in Civil Service Rule 2.9(h). The Commission will review all request for contract approval under the following guidelines:

1. The Commission will review all contracts that directly affect civil service employees within in a reasonable period of time to the contract's implementation.
2. The Commission will ensure that classified employees are competitively selected on the basis of merit, free from political influence, and will protect classified employees from dismissal or disciplinary actions for religious or politically-motivated reasons.
3. The Commission will approve contracts that are entered into for reasons of efficiency and economy, provided that the decision to privatize is made without political motivation as to the civil servants.
4. The Commission will request all documents from the agency which are necessary to determine if any classified employee will be involuntarily displaced from civil service and if so, whether the contract was entered into for reasons of efficiency and economy and not for politically-motivated reasons.
5. The Commission will not determine whether a service should or could be provided within the classified system, whether the contract is in the best interest of the State, or whether the fiscal restraints presented by the state justify privatization.
6. The Commission will challenge in the court system of Louisiana any contract that it has good cause to believe was entered into as a pretext for the discriminatory dismissal or treatment of civil servants for religious or political reasons.


#### **APPOINTING AUTHORITY ACKNOWLEDGEMENT FOR CONTRACTS REQUIRING SCS COMMISSION APPROVAL**

***I hereby acknowledge that I have reviewed the information listed above pertaining to the authority of the Civil Service Commission in relation to contracts and further verify, to the best of my knowledge, that the proposed contract has been entered into for reasons of efficiency and economy and not for politically motivated reasons.***

Name of Appointing Authority	Date

Title of Appointing Authority

#### **AGENCY INFORMATION**

Signature of Appointing Authority or Designee	Date
	8/18/2017

Title of Person Signing this Request
Medicaid Program Manager 2

#### **Contact Information (Human Resources Contact)**

Name	Sherry Nevels		
Email	<a href="mailto:sherry.nevels@la.gov">sherry.nevels@la.gov</a>	Phone Number	(225) 342-8407

STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION

Date: 7/20/2017

Dept/Budget Unit/Program #:

09-305 / Prg 200

Dept/Agency/Program Name: DHH / Medical Vendor Administration / MVA

OCR/CFMS Contract #: 734649

Agency/Program BA-22 #: 6

LAGOV PO# 2000114167

Fiscal Year for this BA-22: 2017-2018  
(yyyy-yy)

BA-22 Start/End Dates: 08/01/17 05/31/18  
(Start Date) (End Date)

Multi-year Contract (Yes/No): Yes If "Yes", provide contract dates:  
6/1/2015 05/31/18  
(Start Date) (End Date)

Myers & Stauffer, LC  
(Contractor/Vendor Name)

310014963  
(Contractor/Vendor No.)

Provides accounting and auditing services to support operation of Medicaid managed care program to minimize Department's risk. Contractor will assist Department with accomplishing goal of ensuring medicaid managed care recipients are receiving high-quality care at lowest cost.

Contract Amendment (Yes/No): Y Amendment Start/End Dates: 08/01/17 05/31/18  
(Start Date) (End Date)

Contract Cancellation (Yes/No): No Date of Cancellation:

Amd 2 - assist with exam of MLR report submitted to SMO; SMO claims processing which is corrective action; produce 3 additional dental encounter reports; additional hours needed for development of transparency report; ad hoc pool replenishment.

(Provide rationale for amendment or cancellation)

This information is to be provided at the Agency/Program Level				
MEANS OF FINANCING	AMOUNT			
	Current Year	%	Total Contract	%
State General Fund	\$96,250.00	50.00%	\$1,258,000.00	37.00%
Interagency Transfers	\$0.00	0.00%	\$0.00	0.00%
Fees and Self Gen.	\$0.00	0.00%	\$0.00	0.00%
Statutory Dedication	\$0.00	0.00%	\$0.00	0.00%
Federal	\$96,250.00	50.00%	\$2,142,000.00	63.00%
TOTALS	\$192,500.00	100.00%	\$3,400,000.00	100.00%

\*Specify Source (i.e., grant name, fund name, IAT sending agency and revenue source, fee type and source, etc.)

Are revenue collections for funds utilized above in line with budgeted amounts? (Yes/No)

Yes

If not, explain.

This information is to be provided at the Agency/Program Level	
Name of Object Code/Category:	Professional Services - Other Professional Services
Object Code/Category Number:	3460
Amount Budgeted:	\$155,787,253
Amount Previously Obligated:	\$ 4,347,601.00
Amount this BA-22:	\$192,500
Balance:	\$151,247,152

The approval of the aforementioned contract will not cause this agency/program to be placed in an Object Category deficit.

Agy/Prg Contact: Jenny Borders  
Name: Jenny Borders  
Title: FMO Budget Analyst  
Phone: 342-8454

Reviewed/Approved By: Lana Goldsmith  
Name: Lana Goldsmith  
Title: Medicaid Program Manager 4  
Phone: 225-342-9480


FOR AGENCY USE ONLY

AGENCY	PROGRAM	ACTIVITY	ORGANIZ.	OBJECT	REPT CAT	AMOUNT
305	200		7201	3460	3460	\$192,500.00

## 2018 Request for Expenditures

This form should accompany all P-Card Statements to LDH Budget and Planning, HR2s to LDH Human Resources, and Payment Requests to LDH Fiscal Management

This form-**Section A**-should be sent to the LDH Budget Office for expenditure approval from the Undersecretary

Agency Number and Name 305/Medical Vendor Administration		Date 7/13/2017	
Preparer Name Teresa Bravo		Preparer Title Medicaid Program Manager 2	
		Preparer Phone Number 225-342-9480	
Assistant Secretary, Medicaid Director, or Executive Director Signature 		Date 7/18/17	

**SECTION A.** This section is to be used for expenditures that **ARE SUBJECT TO THE FREEZE** as per Executive Order JBE 16-03. Approval from the Undersecretary is **REQUIRED** for these expenditures.

Category of Request (Double-click a checkbox, and then choose *Checked* under *Default value*.)

☐ Operating Services    ☒ Professional Services    ☐ Supplies    ☐ Acquisitions

☐ Salaries (T.O.)      ☐ Other Comp (Non-T.O.)

Position # \_\_\_\_\_ Position Name \_\_\_\_\_ Date of Vacancy \_\_\_\_\_

Budget Activity Associated with the Position \_\_\_\_\_

Total # of Positions included in the budget activity \_\_\_\_\_ Total vacancies in the budget Activity \_\_\_\_\_

If the position has been vacant for > 4 months, how have these duties been absorbed? \_\_\_\_\_

☐ **Travel** Purpose of Travel \_\_\_\_\_

How many persons are going to the same destination at the same time? \_\_\_\_\_

Why is this travel critical to the agency? \_\_\_\_\_

What is the benefit to the agency as a result of the travel? \_\_\_\_\_

Source of Funding (Double-click a checkbox, and then choose *Checked* under *Default value*.)

☒ State General Fund    ☐ IAT    ☐ Fees/Self Gen    ☐ Statutory Dedication    ☒ Federal

50°10

$$50 \frac{1}{2}$$

Agency Number	Organization	Object	Amount
305	7201	3460	\$ 192,500.00
			\$96250 sgf
			\$96250 Fed

**Description AND Justification for Expenditure** *(If additional space is needed, please include on the back of this form)*

**Vendor:** Myers and Stauffer LC

**LaGov PO#:** 2000114167

*See next page for description of services, justification, and means of financing.*

Undersecretary Signature <i>Cindy Rios</i>	Date 7.28.17
<input checked="" type="checkbox"/> Approved by Undersecretary	<input type="checkbox"/> Disapproved by Undersecretary

**Description of Services:** Contractor provides accounting and auditing services to support operation of the Medicaid managed care program to minimize the Department's risk in the areas of member care and administration, data quality, and financial management. The contractor will assist the Department with accomplishing its goal of ensuring that Medicaid managed care recipients are receiving high-quality care at the lowest cost.

**Justification:** Amendment is needed to incorporate the following activities:

Contractor will assist with the examination of the CY 2015 Medical Loss Ratio report submitted by the Statewide Management Organization (SMO) and with SMO claims processing timeliness monitoring, which is a corrective action in response to the Louisiana Legislative Auditor.

Contractor will produce three additional dental encounter reconciliation reports in order to provide full coverage of this activity through the final contract year.

Additional hours are needed for the development of the annual transparency report required by Act 158 of the 2015 Regular Legislative Session. Due to overruns for the transparency report deliverable, the ad hoc pool must also be replenished.

The entire amount of the amendment is anticipated to be spent in SFY 18.

**MOF:** Amendment 2 will increase the contract amount by \$192,500 @ 50% FFP (\$96,250 SGF, \$96,250 Federal). This will result in total SFY 18 expenditures of \$1,336,000.00 @ 65% FFP (\$461,750 SGF, \$874,250 Federal).