



STATE OF ARKANSAS
**Department of Finance
 and Administration**

OFFICE OF STATE PROCUREMENT
 1509 West Seventh Street, Suite 300
 Little Rock, Arkansas 72201
 Phone: (501) 324-9316
 Fax (501) 324-9311
<http://www.dfa.arkansas.gov/offices/procurement>

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Senator Larry Teague, Co-Chairperson
 Representative Lane Jean, Co-Chairperson
 Joint Budget Committee (“JBC”)
 Senator Gary Stubblefield
 Representative Monte Hodges
 JBC – Peer Review Subcommittee
 State Capitol Building, Room 315
 Little Rock, Arkansas 72201

Dear Co-Chairs:

Under Arkansas law, when the General Assembly is in session all non-exempt professional and consultant services (“PCS”) contracts with a total initial or projected contract amount of at least fifty thousand dollars (\$50,000), and technical and general service (“TGS”) contracts with a total initial or projected contract amount of at least one hundred thousand dollars (\$100,000), are required to be presented to the JBC for review. *See* Ark. Code Ann. § 19-11-1006(a)(1) and Ark. Code Ann. § 19-11-265(a)(1).

The Department of Finance and Administration (“DFA”), through its Office of State Procurement, has reviewed the PCS and TGS contracts accompanying this letter. One contract of note, by and between the Department of Human Services (“DHS”) and Valley Behavioral Health (“VBH”), is being presented for review prior to consideration for ratification. DHS wants to pay outstanding invoices for services provided by VBH for a client of Adult Protective Services (“APS”), during the period October 4, 2018, through February 28, 2019. The patient was admitted to VBS on September 28, 2018, because DHS was unable to place her in a Human Development Center due to a medical diagnosis. At the time the patient was admitted, DHS expected that the patient would discharge no later than October 4, 2018 at an expense of under \$20,000, but had a cost overrun when the patient had to remain at the facility longer due to a delay in securing another placement. Otherwise, no facially apparent illegality was found during the course of DFA’s review.

Respectfully,

Edward R. Armstrong,
 State Procurement Director

Chief Fiscal Officer of the State

4/8/19

Date

SUMMARY SCHEDULE OF STATE AGENCY CONTRACTS
FOR ARKANSAS LEGISLATIVE COUNCIL REVIEW
AS REQUIRED BY ARKANSAS CODE 19-11-1006

Out-of-State Contracts

1. Agency: Human Services Department	Contractor: MILLIMAN INC		
Div/Prog: Medical Services	Location: BROOKFIELD	State: WI	
Total Authorized: \$1,450,000.00	Org. Term: 03/09/2018 03/22/2019	Procurement: IB	
Total After Review: \$1,950,000.00	Funding: Federal - 50% - [DMS Medicaid Administration-50% Fed/St (CFDA: 93.778 Medical Assistance Program-MAP)]; State - 50%		
Total Projected: \$1,500,000.00	MOF:	Contract Number: 4600041898	
Org/Amt:	Amount	Paid To Date	Objective:
			<u>New Exp Date</u>
Amd. 3	500,000.00	668,225.91	To amend to add funds, update total projected cost due to increased utilization for FY19 Actuarial Services.
History:			
Amd. 2	725,000.00	537,494.97	Amend to extend and add funding for actuarial services.
Amd. 1	450,000.00	214,379.47	Amend to extend and add additional funding for SFY 2019 for actuarial services.
Original:	275,000.00		To provide actuarial services including analysis of new and existing programs and populations, Medicaid waiver assistance, rate development and verification, budget modeling, benefit and reimbursement studies, and long term services and supports assistance. Coverage area is statewide.

