SUPPLEMENTAL AGENDA

Suspension of the Rules Request ALC/Review Subcommittee

Tuesday, September 17th, 2024 1:30 pm, Room A MAC

A. In - State Contract

1. Department of Commerce – State Insurance Department – USAble Corporation

B. Disclosure – State Lease Agreements

- 1. U of A Board of Trustees UAMS Regional Programs for Representative Deborah Ferguson
- 2. U of A Board of Trustees Psychiatric Research Institute for Representative Andrew Collins

Note: All exhibits for this meeting are available by electronic means and are accessible on the General Assembly's website at <u>www.arkleg.state.ar.us</u>



Hugh McDonald SECRETARY OF COMMERCE

Alan McClain commissioner, arkansas insurance department



September 10, 2024

Senator Scott Flippo Representative Les Eaves Co-Chairs, ALC-Review Subcommittee 1 Capitol Mall Little Rock, AR 72201

Dear Senator Flippo and Representative Eaves:

The Arkansas Insurance Department respectfully requests suspension of the rules of the ALC-Review Subcommittee to allow for review of a medical bill review services contract for the Public Employee Claims Division (PECD).

PECD administers the workers' compensation program for employees of Arkansas State agencies and all public colleges and universities. PECD entered into a contract with Systemedic/USAble (1/6/2020) to provide bill review services for medical payments to providers that provide care to injured state employees. USAble is the Managed Care Organization, certified by the Arkansas Workers' Compensation Commission, for PECD. USAble subcontracted with Systemedic to provide bill review services. However, when this contract was originally drafted and executed, USAble was not listed on the contract, only Systemedic. PECD was informed that USAble was terminating their agreement with Systemedic to provide bill review services. PECD immediately contacted OSP for direction moving forward, it was determined that a special procurement was needed to allow for us to continue services while we complete the RFP process to select a new contractor. Without a contract to provide bill review and receive the deep PPO discounts provided by USAble, the cost to state taxpayers would rise at least 70%.

Once the Special Procurement was approved, there was not sufficient time to finalize an agreement with a contractor to carry out the needed services before the normal submission deadline for the ALC - Review Subcommittee. Therefore, we respectfully submit this request for a suspension of the rules to allow for review of the contract obtained through Special Procurement that would enable the continuation of bill review services critical to the Departments fulfillment of its duties.

I appreciate your consideration of this request. Please do not hesitate to let me know if additional information is needed.

Respectfully,

Álan McClain

Arkansas Insurance Commissioner Department of Commerce

Arkenses Department of Commerce Arkenses Insurance Department F Commerce Way, Suite 102 - Little Rock, AR 72202 INSURANCE ARKANSAS,GOV

SUMMARY SCHEDULE OF STATE AGENCY CONTRACTS FOR ARKANSAS LEGISLATIVE COUNCIL REVIEW *In-State Contracts*

8	epartment of Commerce - State Insurance epartment	Contractor:	USABLE CORPORATION				
		Location:	LITTLE ROCK	State: AR			
Service Type: Tech	nnical & General Services (TGS)						
Total Authorized:	\$0.00 Org. Term: 09/23/20	24 06/30/2025	5 Procurement: SP				
Total After Review:	\$925,000.00 Funding: State - 10	0%					
Total Projected:	\$925,000.00 MOF:		Contract Number: 460	00055376			
Org/Amt: A	mount Paid To Date Objective:			New Exp Date			
925,000.00 Managed care services pursuant to Rules 30 & 33 of the Arkansas Workers" Compensation Commission for workers comp injuries involving state employees and residual claims of city, county, and school employees.							

In-State Contracts Page 1

11-Sep-24



OSP Justification Form Special Procurement

Complete all sections of this form and follow the steps specified in the *Special Procurement Procedures*. Email the completed form to the Office of State Procurement review mailbox at <u>osp.review@arkansas.gov</u> to ensure timely review.

Procurement Unit Requesting the Special Procurement

Requesting Department: 0425 - Insurance Department

Requesting Division: Public Employee Claims Division Purchasing Contact: Nathan Culp

Phone Number: 501-371-2708 Email: Nathan.Culp@arkansas.gov

General Information

Description of Service/Commodity: Managed Care Organization Bill Review for Workers' Compensation

Vendor Name: USAble

Contract Number (if available): 4600045761 Total Projected Cost: \$925000

Start Date of Resulting Contract: 9/23/2024

Expiration Date of Resulting Contract: 6/30/2025

Identify the unusual or unique situation justifying a Special Procurement.

Public Employee Claims provides workers' compensation coverage for State of Arkansas agencies and colleges and universities' employees. Public Employee Claims has had a contract with Systemedic to provide Bill Review for medical bills incurred by injured state employees. While Systemedic was the vendor on the contract, USAble held the MCO license, therefore we paid Systemedic and they passed payment through to USAble. USAble in June of 2024 decided to end their relationship with Systemedic to provide bill review services. USAble brought on a new vendor, CompBR, out of Kansas City, MO. PECD had no voice in this decision and Systemdicended their bill review business. The current contracted vendor, Systemedic, is no longer able to provide bill review services. PECD is statutorily obligated to pay reasonable medical bills for our claimants and using the USAble PPO saves the State of AR about 70% of the invoiced amount. PECD must pay all reasonable medical bills within thirty days of receipt or face a potential fine of 18% of total obligation. PECD is requesting a special procurement for USAble to cover State workers until a new RFP and bid process can take place.

Identify the reason a competitive procurement is contrary to public interest.

PECD must continue to pay reasonable medical bills and is only asking for enough time to complete the RFP process.

Identify the expected duration of the unusual or unique situation.

Ten months or enough time for the RFP process.

Explain the reason the contract duration exceeds the expected duration of the unusual or unique situation, if applicable.

Click here to enter text.

Identify the reason for choosing the selected vendor.

<u>Contract vendor no longer has the ability to preform the contractual obligation. Systemedic no longer provides</u> <u>bill review services.</u>

Provide additional details as needed.

Click here to enter text.



September 12, 2024

Mrs. Marty Garrity, Executive Director Bureau of Legislative Research One Capitol Mall Little Rock, AR 72201

Re: State Lease Agreement #18-150-P3001 – Board of Trustees of the University of Arkansas UAMS Regional Programs – West Memphis, Crittenden County Contract Disclosure for Representative Deborah Ferguson

Dear Mrs. Garrity:

Please find enclosed a copy of the Lease Agreement between On Broadway, LLC, as Lessor, and the University of Arkansas for Medical Sciences (UAMS) Regional Programs, as Lessee. Since Representative Deborah Ferguson (50% owner) is currently serving a term as State Representative for District 63, Arkansas Code Annotated § 21-1-403 provides certain restrictions on state agency leases, agreements, contracts, and grants. Subsection (a)(2) mandates that:

(a) No constitutional officer may enter into any lease agreement, contract, or grant with any state agency unless . . .

(2) If competitive bidding or a request for proposal was not required by law, it has received the prior approval of the Joint Budget Committee during legislative sessions, the Legislative Council between legislative sessions, and the Governor.

The attached Lease Agreement is being presented for review by the Arkansas Legislative Council. A similar request was submitted to Governor Sanders and approved (attached). Real estate lease transactions are exempt from state procurement competitive bidding laws and are procured under the Division of Building Authority's minimum standards and criteria. Negotiations for lease agreements are clearly contemplated in Arkansas Code Annotated § 22-2-114. The term renewal for the referenced lease is to begin on October 1, 2024 and expire September 30, 2025.

Please contact Chris Bell, Division of Building Authority, at 501-683-5802 if you have any questions or concerns.

Sincerely,

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Anne W. Laidlaw, Director Division of Building Authority

Enclosures



September 4, 2024

Honorable Sarah Huckabee Sanders Governor of the State of Arkansas 500 Woodlane Street, Suite 250 Little Rock, AR 72201

Signature for Approva

Re: State Lease Agreement #18-150-P3001 – Board of Trustees of the University of Arkansas UAMS Regional Programs –West Memphis, Crittenden County Contract Disclosure for Representative Deborah Ferguson

Dear Governor Sanders:

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Please contact Chris Bell, Division of Building Authority, at 501-683-5802 if you have any questions or concerns.

Sincerely,

Leslie Fisken, Secretary

Enclosures

I None of the above applies	State Board or Commission Member	General Assembly C KCDLORWORLE 01/13 12/24 Dehma A ferzillson 5276	Current Former b	What is the person(s) name and what is his/her % of what is his/her position of cont		FOR AN ENTITY (BUSINESS)*	□ None of the above appiles	State Employee	State Board or Commission Member	General Assembly V Representation QUAUS 12/31/2024 Der mark Hereiusan (1)	Current Former board/ commission, data entry, etc.] From To Person's Name(s) Re	Position Held Mark (V) Name of Position of Job Held For How Long? (I.e., Jane Q. Public, spouse, John Q. Public, Jr., child, etc.)	Indicate below it: you, your spouse or the brother, sister, parent, or child of you or your spouse /s a current or former: member of the General Assembly, Constitutional Officer, State Board or Commission Member, or State Employee:	FOR INDIVIDUALS*	OR GRANT AWARD WITH ANY ARKANSAS STATE AGENCY, THE FOLLOWING INFORMATION MUST BE DISCLOSED:	INDEX INFORMULIS STATE: AR ZIP CODE: 72, 36	YOUR LAST NAME: FOUCHUND ARST NAME: FOUCH SCOTT MIL:	TAXPAYER ID NAME: DIN DIVINUU GUN GOODS? Services? Both? MORT	· energy of the second
		57%	Interest (%) Control	tership Inter	er of the General Assembly, Constitutional al Officer, State Board or Commission					invid-p	Relation	are they related to you? , Public, Jr., child, etc.]	lutional Officer, State Board or Commission		E AGREEMENT, LOSED:	COUNTRY: 4			state Adency.

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Supplemental Agenda Page 8

	<u>Agency use only</u> Agency Agency Number Name	Vendor Contact Person	L certify under penalty of periury, that I agree to the subcontractor	 No later than ten (10) days after entering into a copy of the CONTRACT AND GRANT DISCLOSUR amount of the subcontract to the state agency. 	Failure to make any disclosure pursuant to that Order, shall be violates any rule, regulation, or p	2. I will include the following language	As an additional condition of obtaining, extending, amending, or 1. Prior to entering into any agreement with any subcontractor, prive CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM. Whereby I assign or otherwise delegate to the person or entity, fr of my contract with the state agency.	Failure to make any disclosure require that Order, shall be a material breach disclosure or who violates any rule, reg	C
Reset Form	Agency Contact Person	Title	0 00	No later than ten (10) days after entering into any agreement with a subcontractor, whether pr copy of the Contract and Grant DiscLosure and Certification Form completed by the summunt of the subcontract to the state agency.	Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation pursuant to that Order, shall be a material breach of the terms of this subcontract. The party who fa violates any rule, regulation, or policy shall be subject to all legal remedies available to the contractor.	I will include the following language as a part of any agreement with a subcontractor:	<u>, extending, amending, or</u> with any subcontractor, prid AND CERTIFICATION FORM. ate to the person or entity, fo	Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulati that Order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entit disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.	Contract and Grant Disclosure and Certifica
Print Form	Contact. Phone No.	- Kat		actor, whether prior or sumpleted by the subcontra		ntractor:	renewing a contract with a <i>state agenc</i> or or subsequent to the contract date, I Subcontractor shall mean any person or consideration, all, or any part, of the p	r any violation of any ru ctor, whether an individu al remedies available to t	and Certification Form
	Contract or Grant No.	I I	above information is true and correct and	No later than ten (10) days after entering into any agreement with a subcontractor, whether prior or subsequent to the contract date, I will mail a copy of the Contract And GRANT DISCLOSURE AND CERTIFICATION FORM completed by the subcontractor and a statement containing the dollar amount of the subcontract to the state agency.	or any violation of any rule, regulation, or policy adopted The party who fails to make the required disclosure or who e to the contractor.		te agency I agree as follows: t date, I will require the subcontractor to complete a person or entity with whom I enter an agreement of the performance required of me under the terms	Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.	orm
Supplemental Page 9	Agenda								

8



September 12, 2024

Mrs. Marty Garrity, Executive Director Bureau of Legislative Research One Capitol Mall Little Rock, AR 72201

Re: State Lease Agreement #60-150-P3213 – Board of Trustees of the University of Arkansas UAMS Psychiatric Research Institute – North Little Rock, Pulaski County Contract Disclosure for Representative Andrew Collins

Dear Mrs. Garrity:

Please find enclosed a copy of the Lease Agreement between JBB Cypress Properties, LLC, as Lessor, and the University of Arkansas for Medical Sciences (UAMS) Psychiatric Research Institute, as Lessee. Since Representative Andrew Collins (33% owner) is currently serving a term as State Representative for District 35, Arkansas Code Annotated § 21-1-403 provides certain restrictions on state agency leases, agreements, contracts, and grants. Subsection (a)(2) mandates that:

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Anne W. Laidlaw, Director Division of Building Authority

Enclosures



September 4, 2024

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Signature for Approval

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Sincerely,

egni Fisker

Leslie Fisken, Secretary

Enclosures

CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM Failure to complete all of the following information may result in a delay in obtaining a contract, lease, purchase agreement, or grant award with any Arkansas State Agency. SUBCONTRACTOR: SUBCONTRACTOR NAME: Yes SNo

TAXPAYER ID NAME: JBB Cypress, LLC				?	⊠ Services? Both?				
YOUR LAST NAME: COILINS FIRST NAME: Will						M.L.			
ADDRESS: 2200 N Rodney Pa	arham F	Road, S							
city: Little Rock			STATE: Arkans	as	ZIP CO	DE: 72212	COUNTRY	r. USA	
AS A CONDITION OF OBTAINING, EXTENDING, AMENDING, OR RENEWING A CONTRACT, LEASE, PURCHASE AGREEMENT, OR GRANT AWARD WITH ANY ARKANSAS STATE AGENCY, THE FOLLOWING INFORMATION MUST BE DISCLOSED:									
FOR INDIVIDUALS*									
Indicate below if: you, your spouse or the brother, sister, parent, or child of you or your spouse is a current or former: member of the General Assembly, Constitutional Olficer, State Board or Commission Member, or State Employee:									
Position Held	Mark (√)		Name of Position of Job Held Isenator, representative, name of	For How Long		What is the person(s) name and how an [i.e., Jane Q. Public, spouse, John Q. I			
	Current	Former	board/ commission, data entry, etc	From MM/YY	To MM/YY	Person's Name(s)		Relation	
General Assembly									
Constitutional Officer									
State Board or Commission Member									
State Employee					ĺ				
None of the above appli	88								
			FOR AN EI	N T I I	гү (BUSINESS)*			
Indicate below if any of the following persons, current or former, hold any position of control or hold any ownership interest of 10% or greater in the entity: member of the General Assembly, Constitutional Officer, State Board or Commission Member, State Employee, or the spouse, brother, sister, parent, or child of a member of the General Assembly, Constitutional Officer, State Board or Commission Member, State Employee, or the spouse, brother, sister, parent, or child of a member of the General Assembly, Constitutional Officer, State Board or Commission Member, or State Employee. Position of control means the power to direct the purchasing policies or influence the management of the entity.									
Decilies Hold			Name of Position of Job Held	For Hov	v Long?	What is the person(s) name and what is his/her what is his/her position of		ship interest and/or	
Position Held		Former	[senator, representative, name of board/commission, data entry, etc.]	From To MM/YY MM/YY		Person's Name(s)	Owner Interest		
General Assembly	1		Representative	01/19		Andrew Collins	33	Yes	
Constitutional Officer							1		
State Board or Commission Member	1		Access to Justice Comm'n	12/19		Andrew Collins	33	Yes	
State Employee									

None of the above applies

Contract and Grant Disclosure and Certification Form

Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the agency.

As an additional condition of obtaining, extending, amending, or renewing a contract with a state agency I agree as follows:

- Prior to entering into any agreement with any subcontractor, prior or subsequent to the contract date, I will require the subcontractor to complete a CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM. Subcontractor shall mean any person or entity with whom I enter an agreement whereby I assign or otherwise delegate to the person or entity, for consideration, all, or any part, of the performance required of me under the terms of my contract with the state agency.
- 2. I will include the following language as a part of any agreement with a subcontractor:

Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that Order, shall be a material breach of the terms of this subcontract. The party who fails to make the required disclosure or who violates any rule, regulation, or policy shall be subject to all legal remedies available to the contractor.

 No later than ten (10) days after entering into any agreement with a subcontractor, whether prior or subsequent to the contract date, I will mail a copy of the CONTRACT AND GRANT DISCLOSURE AND CERTIFICATION FORM completed by the subcontractor and a statement containing the dollar amount of the subcontract to the state agency.

I certify under penalty of perjury, to the best of my knowledge and belief, all of the above information is true and correct and that I agree to the subcontractor disclosure conditions stated herein.											
Signature Celli	Title Will Collins	Date 08/28/2024									
Vendor Contact Person <u>Will Collins</u>	Title Director of Real Estate of Its Manager	Phone No. <u>501-907-907</u> 0									
Agency use only Agency Agency NumberName	Agency Contact Contact Person Phone No.	Contract or Grant No									