

Non Substantive Change Request

Approved By

Randy Cole

Approved Date

4/3/2012 1:53:13 PM

Controlling Board Number

DRC0100454

Agency Code Submitted From

DRC01

User Submitted By

nenabradley

Shorttitle

Non Substantive Change Request-DRC0100454

Change Description

On June 13, 2011, the Controlling Board approved the Department's request to contract with Permedion, Inc. (Vendor#0000144812) in the not to exceed amount of \$1,425,200.00 for FY12 to administer the Department's Correctional Managed Care Program. This program includes medical pre-certification, retrospective review, case management and claims re-pricing and adjudication services. The Department is requesting approval of a non-substantive change request in order to amend the contract with Permedion, Inc. to initiate Third Party Liability (TPL) services which is another facet of the Correctional Managed Care Program. As part of the TPL service, Permedion will match the Department's Inmate Census File to their Commercial Carrier Eligibility data that they have amassed and will identify inmates who have other health coverage benefits. After identifying the other coverage, Permedion will investigate the claims paid by ODRC wherein this other coverage existed and initiate recovery on the Department's behalf by providing the correct coverage information to the provider of service, allowing time to bill the claims for payment and providing a mechanism for the provider to reimburse ODRC. Permedion will receive 32% of the funds recovered by ODRC as payment for the TPL services; therefore, if ODRC does not recover any funds, Permedion will not receive any payment for the services provided. Due to the time needed to initiate the TPL services and recover funds from claims, additional spending authority is not needed for FY12. ODRC projects recovery of approximately \$700,000.00 in FY13; therefore, ODRC will request an additional amount of \$225,000.00 for the TPL portion of the Permedion contract when the request to renew the contract is presented to the Controlling Board for FY13. Approval of this non-substantive change request will enable the contract to be amended to initiate TPL services, and no additional funds are requested for FY12. Your consideration is appreciated. If you have any questions please contact me at (614) 995-0636. Nena Bradley, DRC Controlling Board Administrator