

July 23, 2012

Roberta Wagner
State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street, East
Charleston, WV 25305-0130

Re: RFQ WEH13021

Dear Ms. Wagner:

This correspondence is to verify that I have received a Request for Quotation (RFQ) issued by the Department of Health and Human Resources for the provision of physician staffing and services for Welch Community Hospital. I have also received related addenda with vendor questions.

This letter is to further verify that the prices arrived at in formulating this proposal were computed independently, without consultation or communication, and were developed without collusion or agreement as to any matter relating to such prices with any other offer or competitor.

Kelly Medical Services Corporation wishes to also submit an affidavit that it has no outstanding debt with the State of West Virginia. The vendor wishes also to affirm that it is in compliance with all Bureau of Employment Programs regulations. Kelly Medical Services Corporation further declares that its billing practice is in accordance with all Medicare and Medicaid laws and regulations.

Kelly Medical Services Corporation agrees to all mandatory requirements of the RFQ whether stated or implied in this proposal.

This proposal meets or exceeds all mandatory specifications outlined in the RFQ.

Sincerely yours,



John Hellman
Senior Vice President
Kelly Medical Services Corporation

Executive

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WV PURCHASING
DIVISION

Response to Solicitation

RFQ # WEH13021

Welch Community Hospital

Welch, WV

Kelly Medical Services Corp

July 25, 2012

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RESPONSE TO:
REQUEST FOR QUOTATION
STATE OF WEST VIRGINIA
DEPARTMENT OF HEALTH AND HUMAN RESOURCES
BUREAU FOR BEHAVIORAL HEALTH AND HEALTH FACILITIES
WELCH COMMUNITY HOSPITAL
RFQ# WEH13120

PURPOSE:

The Acquisition and Contract Administration Section of the Purchasing Division "State" for the Department of Health and Human Resources, Bureau for Behavioral Health Facilities, Welch Community Hospital, "Agency" is soliciting Quotations to certain health care provider services for Welch Community Hospital. WHEREAS, Welch Community Hospital is an acute care hospital operated by DHHR. Located in Welch, McDowell County, West Virginia, the hospital serves a designated medically under-served region of the State of West Virginia. DHHR has a statutory duty to operate Welch Community Hospital. In order to fulfill that duty, DHHR seeks a contractor to who will provide quality: (1) specialty services in the areas of surgery, anesthesia, radiology, pathology and geriatrics; (2) rural health clinic services in the areas of internal medicine, walk-in clinic, and pediatrics; and (3) emergency room services to Hospital's patients.

Project:

The mission or purpose of this project is to provide services in the area of emergency department care, surgery, anesthesia, radiology, pathology, geriatrics and the rural health care areas of internal medicine, walk-in clinic and pediatrics.

Location

Facility is located in McDowell County at Welch Community Hospital, 454 McDowell Street, Welch WV 24801

Background

The following numbers represent the typical utilization encountered by the outpatient service area of Welch Community Hospital for the 2011 fiscal year:

Volume of Patient Services:

9,618 Emergency Room Patients
335 Observation Visits
17,805 Clinic Patients
245 Surgeries
50 Deliveries
638,802 Laboratory Tests
13,230 Radiology
3,274 CAT Scans
1,262 Ultrasound
611 Mammography
18,736 Respiratory Tests
3,434 Electrocardiograms
713 Admissions (including Long Term Care)

Outpatient Services Provided Are:

Primary care and Family Practice in a Certified Rural Health Setting
Pediatric Clinic
Newborn Care
Internal Medicine
Surgery
Emergency Room Services

Radiology Services Including:

Diagnostic
CAT Scan
Ultrasound
Mammography
MRI
EKG, Cardiac Doppler Studies, Stress Testing and
Respiratory Therapy Services
Laboratory Services

ARTICLE I VENDOR RESPONSIBILITIES

- A. **General Service Requirements:** Vendor shall recruit, supervise supervise and compensate health care providers, pursuant to the terms of this contract, to meet the coverage and on-call needs of Welch Community Hospital for the services set forth more specifically below. It shall be the vendor's continuous responsibility to monitor the service requirements and to adjust coverage accordingly. Vendor's medical staff must provide service to all patients who present themselves to all hospital departments or clinics regardless of their ability to pay for treatment and services. Vendor shall also require its physicians to actively participate in the Hospital's medical staff organizations. At all times, the duty to manage the hospital and its clinics and departments shall remain with the Hospital administrator and DHHR. References herein to Hospital decision-making shall refer only to Hospital Administrator, Bureau Commissioner and/or Secretary of DHHR.

Furthermore, the facility utilizes an electronic medical record (EMR) in all areas of patient care. The EMR is designed to provide a higher level of patient safety and is not designed to save providers time or effort. This system requires the VENDOR to utilize providers that can and are willing to type orders and use computer keyboards and mouse and other technology to input virtually all documentation into the EMR system. This must be done through keyboard typing and point and click mouse input. Oral dictation and/or hand-written notes of daily patient progress notes, clinic visits reports and routine patient encounters shall not be the normal method of documentation. It is expected that the VENDOR shall employ providers that are always capable, willing and prepared to function in this electronic, computerized environment.

The vendor and all health care providers shall cooperate with The Utilization Review staff to assure appropriate documentation And actions are taken related to admissions and discharges. Vendor shall adhere and follow the Utilization Plan and the Utilization review code of Participation for this facility.

Vendor shall require all physicians and staff to wear Welch Community Hospital Photo Identification (ID) Badge. The photo ID badges will be provided to each physician and staff member by the facility.

Kelly Medical Services Corporation understands the requirements listed above and agrees to continue to provide the same high-quality, hospital-based clinical outsourcing services that it has provided since 1990.

B: Specialty Services:

1. **Surgery Clinic:** The Surgery Clinic physicians shall provide consultations, lab review, and surgery work-up and perform surgeries. Minimum daily staffing shall include at least one physician 8 hours per day, Monday through Friday. The daily hours of operation will be determined by the Hospital. One surgeon shall be on call: (1) 24 hours per day on Saturdays and Sundays and any official holiday, and (2) 16 hours on Monday through Friday, excluding the 8 hours of clinic operation. Hospital expects that surgeries will be routinely scheduled and performed in the morning (starting time to be established by Hospital) and clinic hours maintained in the afternoon. Vendor's surgeons shall not be scheduled for coverage in the Emergency Department without prior written permission from Hospital.

Agreed and reflected in our staffing information below.

- 2: **Anesthesia Department:** The Anesthesia Department shall be staffed with at least one full time Certified Registered Nurse Anesthetist (CRNA). Vendor shall provide coverage for daily elective surgeries and continuous on-call coverage. Anesthesia Department shall be trained in and provide epidural anesthesia for OB/GYN patients (and others). It is the HOSPITAL's expectation that epidurals will be provided anytime they are ordered by a physician. The anesthesia provider shall remain within the facility any time a patient is actively laboring; is being induced to labor; or has an epidural anesthetic being given. Vendor shall provide appropriate oversight for all CRNA services and quality assurance to perform reviews and risk management. VENDOR shall specifically set forth the hours to be worked by the physician performing this function and the reimbursement methodology and cost for these services. An anesthesiologist will be made available for reviews on risk management as requested by CRNS's surgical staff or administration.

Agreed and reflected in our staffing information below.

3. **Radiology Department:** The Radiology Department shall be staffed with a Radiologist who will be responsible for seven days per week coverage for performance of department supervisor, procedures and interpretations. Coverage shall consist of 8 hours per day coverage, Monday through Friday and weekend coverage of at least 2.5 hours per day each day. Radiologist shall be available to perform all routine x-ray, mammograms; CT scans and Ultrasound interpretations. Optional: the VENDOR may offer coverage plans to include the use of electronic reading and interpretations for weekend and off-business hour coverage. If the use of electronic coverage produces a cost savings to the HOSPITAL (when compared to on-site coverage) this should be delineated in the VENDOR'S bid.

Agreed and reflected in our staffing information below.

4. **Pathology Department:** The Pathology Department shall be staffed with a pathologist responsible for: daily department duties of lab supervisor as defined by CLIA, gross and micro examination and description of submitted

specimens. This pathologist must meet the experience, educational and training requirements under CLIA. All lab responsibilities required under CLIA shall be carried out by the pathologist. Preparation for all successful lab surveys (CLIA, OHFLAC, CAPS, etc.) shall be the responsibility of the Pathologist. Pathologist shall participate in all lab related committees, such as the Tissue Committee and others, as identified. It is expected that the Pathologist shall be on site, in the facility and available to consult with the Physicians and staff 40 hours each week. The hours to be Determined by the facility. For CLIA requirements go to: <http://www.wvdhhr.org/labservices/compliance/clia/index.cfm>

Agreed and reflected in our staffing information below.

5. **Geriatrics (Long Term Care):** The physician providing services to residents in the Long-term Care Unit will be responsible for daily patient rounds as needed, monthly visits and annual physicals for established patients and performing physicals for new residents within 72 hours of admittance. Vendor shall ensure that the Long-term Care Unit is staffed to ensure that the Long-term Care Unit may continue to meet the designation as a Long-term care Unit. If the Federal or State requirements for the maintenance of this designation change, VENDOR shall be required to change the staffing accordingly.

Agreed and reflected in our staffing information below.

C. Emergency Services:

1. **Emergency Department:** The Emergency Department shall be staffed and open 365 days per year, 24 hours per day, seven days per week. VENDOR shall not schedule Surgeons, Anesthesiologist, Pathologist, Radiologist, or Cardiologists who otherwise work at the hospital to work in the Emergency Department unless extenuating circumstances exist and it obtains prior approval from Hospital. VENDOR shall not schedule physicians to routinely work more than 12 consecutive hours in any single day. Should it be necessary to schedule physicians more than 12 hours per shift more than twice during any 14-day period, the VENDOR must notify HOSPITAL as soon as possible and preferably in advance. Scheduling of any shift(s) in excess of twelve hours should be approved by the HOSPITAL in advance except in emergency situations in which an administrator cannot be contacted. Emergency situations shall be defined as any event where hospital physicians need assistance.

Agreed and reflected in our staffing information below.

2. **Hospital Emergencies Outside of Emergency Department:** VENDOR's emergency department physicians shall be available to attend in-house emergencies until such time as the attending or on-call physician is available.

Agreed.

D. Rural Health Services

1. **Rural Health Clinic Act Qualification:** For internal operating purposes, Hospital has a rural health clinic designated under the Rural Health Clinic Act. The designated rural health clinic consists of the clinic on-site at the Hospital and includes the Internal Medicine Clinic, the walk-in Clinic and the Pediatric Clinic. VENDOR shall ensure that at least fifty percent (50%) of the weekly coverage of the rural health clinic is staffed with a mid-level practitioner in order that the Hospital's clinics may continue to meet the designation as rural health clinics. If the federal requirements for the maintenance of this designation change, VENDOR shall be required to change the mid-level staffing accordingly.

Agreed and is reflected in our staffing information below.

2. **Internal Medicine Clinic:** The Internal Medicine Clinic will be staffed and open Monday through Friday, 8 hours per day. The daily hours of operation will be determined by Hospital. Minimum daily staffing shall include at least one physician. At least one Internal Medicine physician must be available to the facility that has demonstrable expertise in cardiopulmonary diagnostic testing, EKG interpretation and Mechanical Ventilator management. On call coverage by a Physician is required for after hours on weekdays and weekends.

Agreed and reflected in our staffing information below.

3. **walk-in Clinic:** The walk-in Clinic shall be staffed and open 365 days per year, 12 hours per day, 7 days per week. The daily hours of operation will be determined by the Hospital. The walk-in Clinic accepts patients without appointments. In order that the hospital may qualify under the Rural Health Clinic Act, VENDOR shall ensure that at least 50% of the weekly coverage of the Rural Health Clinics is staffed with a mid-level practitioner. Vendor shall not schedule Surgeons, Anesthesiologist, Pathologists, Radiologists or Cardiologists to work in the walk-in Clinic unless it obtains prior approval from Hospital.

Agreed and reflected in our staffing information below.

4. **Pediatric Clinic:** The Pediatric Clinic shall be open Monday through Saturday, 10 hours per day. The hours of operation will be determined by the Hospital. Pediatric health care providers shall be available for Emergency Room and in-Minimum daily staffing shall include at least one physician. In order that the hospital may qualify under the Rural Health Clinic Act, VENDOR will provide 50% mid-level coverage only if it is determined necessary. On call is required for after hours on weekdays and weekends.

Agreed and reflected in our staffing information below. We will provide 50% mid-level coverage only if it is determined to be necessary.

5. **Modified Hospitalist Program:** VENDOR shall provide one Internal Medicine Physician or other qualified physician with one (1) year Hospitalist program experience, to provide dedicated inpatient care and discharge planning to patients and residents of the hospital. Coverage at the onset of this program will be Monday through Friday at hours to be

determined by the HOSPITAL which will equal 40 hours each week. The days and time coverage is provided my change at the HOSPITAL's discretion. to include weekend coverage at some future point in time, during this contract. This change in coverage days and times in not expected to adjust or extend the total number of physician hours provided under this contract. The physician functioning as the "Hospitalist" shall not hold clinic hours on the same day nor shall they work in the Emergency Room that same day. It is an expectation that patients referred to the hospital as inpatients by outside physicians shall be referred back to their referring doctor for follow up care following their admission and discharge to this facility. The Hospitalist is expected to maintain an ongoing dialogue with referring physicians within the community to discuss ongoing care and condition of their patients on a regular (if not daily) basis and to seek additional referrals to the hospital. The HOSPITAL retains the right to modify or terminate this program at any time during the contract period. On call Coverage is required for after hours on weekdays and weekends. This may be provided by the same physician that is providing the Internal Medicine Clinic coverage.

Agreed and reflected in our staffing information below.

- E. **Department Staffing:** The vendor will include a detailed staffing plan for department and clinic coverage, including on-call coverage, for each department/clinic, combining any mandatory physician coverage with mid-level practitioners. Staffing recommendations are base upon a review of the service area and major medical needs, including the needs of medical staffing in specific medical specialties. The staffing plan must indicate the number of positions and level of health care physicians proposed to meet each department's/clinic/s service requirements.

Staffing Plan			
Service	# of FTEs	Provider Names	Description of service
Emergency Dept.	4.5 physicians	Sherwood Leo, M.D. (FT) Eugene Johnson, D.O. (FT) Brian West, M.D. (FT) David Eells, M.D. (FT) TBA (FT) Rodney Cowans, M.D. (PT) Michael Kelly, M.D. (PRN)	Dept. coverage & supervision 24 hrs a day, 7 days a week, 365 days a year. Coverage will be provided in 12 hour shifts. Emergency Room physician will respond to all in-house emergencies.
Surgery	2.0 physicians	David Eells, M.D. (FT) Chandra Sharma, M.D. (FT)	Elections and emergency services in surgery. Consultations I/P & O/P care.
Anesthesia	2.5 CRNAs	Erica Damewood, CRNA (FT) Vinod Parmar, MD (PT) Nayan, Zinzuwadia, MD (PT)	Daily elective and emergency surgeries and consultations. CRNA and MD coverage with QA functions by CRNA/surgeons. Anesthesiologist available for QA when needed.
Radiology	2.0 physicians	David Ratcliff, D.O. (FT) C. Richard Daniel, Jr, M.D. (PT)	Dept. coverage & supervision 7 days a week. Also provide after hour and weekend Teleradiology coverage.
Pathology	1.0 physicians 1.1 technicians	Antonio DY, M.D. (FT) Valeria Wyco, Lab Tech (FT)) Donna Carrico, Lab Tech (PRN)	Dept. supervision and daily duties

Long-Term Care	.25 physicians	Chandra Sharma, M.D.	Daily on-call, monthly round and annual physicals
Internal Medicine Clinic	1.5 physicians	Jose Oyco, M.D. (FT) Cordell Honrado, M.D. (PT)	Monday - Friday operation of clinic, 8 hrs a day.
Hospitalist	2.0 physicians	Emily Ward, MD (FT) Milagros Vidot, M. D. (FT)	Consultations I/P & O/P care.
Walk-in Clinic	2.5 providers	Julieta Sison, P.A. (FT) Lea Morgan, P.A. (FT) Shirley Repass, FNP (PRN) Charlotte Buckner, FNP (FT)	Daily operation of clinic, 12 hours a day.
Pediatric Clinic	2.1 physicians	Anish Trehun, M.D. (FT) Petaiah Mohan, M.D. (FT) Ahmad Khiami, M.D. (PRN)	Mon - Sat operation of clinic, 10 hrs a day. ED and I/P consults, OB deliveries coverage & newborn care. No MLP coverage currently covered in the Pediatric Clinic. If physician hours change This will be readdressed.

F. Performance Improvement: The successful vendor will develop a program with productivity measure and quality assurance indicators whereby DHHR can judge VENDOR's provision of medical services to the community. VENDOR's final program will be approved by DHHR. A draft plan that outlines the VENDOR's program should accompany the bid and must be provided upon request.

Kelly Medical Services Corporation presently works with administrative members at several levels to address quality assurance issues. Monthly meetings are held in compliance with our by-laws that deal with Medical Executive, Quality Assurance and Tissue Meetings. Credentialing is held on an "as needed" basis. Patient complaints are logged into our system, addressed with the provider, and the patients are then trended.

All transfers from Welch Community Hospital are reviewed for appropriate disposition. Utilization reviews are reported, trended and managed that deal with observation and regular admission criteria.

Kelly Medical has developed relationships with Marshall University, West Virginia School of Osteopathic Medicine and Mountain State University for rotations for students and residents in medicine as well as physician assistants and family nurse practitioners. Kelly Medical also cooperates with the local schools of nursing and LPNs to facilitate required on-the-job training.

- G. **Tug River Clinic:** Vendor must agree to work with the Tug River Clinic and DHHR toward developing a patient care arrangement for Tug River Clinic patients. Tug River Clinic is a local, federally funded health services clinic. VENDOR is not required by contract to provide referrals or visits to Tug River, but only to work in the spirit of cooperation with their agency.

Kelly Medical Services Corporation recognizes the importance of coordination of scarce health care resources provided by The Health Department, Tug River Clinic and Welch Community Hospital for the patients of McDowell, Wyoming, Mingo and adjacent counties. The patients of Tug River will be cared for either in consultation with or primarily by our physicians and referred back to Tug River after their discharge from the hospital setting.

- H. **On Call:** The On Call physician will be available at all times while on call and capable of responding by telephone within Fifteen minutes and when necessary, in person within thirty Minutes, regardless of weather or other extraneous Circumstances.

Kelly Medical Services Corporation agrees to provide this Coverage in the times outlined.

- I. **Clinic Operation:** Except as otherwise specifically provided herein, the hospital clinics shall be closed on the following days:

Memorial Day July 4 th	Thanksgiving Day Friday Following Thanksgiving
Labor Day	Christmas Eve
Veteran's Day	Christmas Day
	New Years Day

If any of these holidays do not fall on a day of normal operation for the clinic, the clinic's hours of operation will not be affected. The clinic may be closed on other dates by prior agreement between the HOSPITAL and the VENDOR. The vendor shall adjust their invoice for any additional days the clinics are closed to reflect the actual hours of coverage during that invoice period.

Agreed, Kelly Medical Services Corporation will provide coverage in the clinics and make adjustments as specified.

- J. **Sick and Annual Leave:** DHHR will not be responsible for VENDOR's health care physician's sick and annual leave. When the VENDOR's health care providers take sick, annual or other paid or unpaid leave, VENDOR shall be responsible for providing appropriate coverage for all departments and the Rural Health Care Clinic, On Call coverage and the Modified Hospitalist program.

Agreed, Kelly Medical Services Corporation will be responsible for providing appropriate coverage for all departments and clinics during physician's sick and annual leave.

- K. **Scheduling:** Each health care provider shall be assigned to his/her area or clinic without overlap of time or

responsibilities. This includes on-call scheduling and daily inpatient rounds, except as otherwise noted. The VENDOR shall supply the Hospital with completed clinic, on call and Hospitalist schedules by the 15th of the prior month.

Yes, Kelly Medical Services Corporation will ensure that each health care provider shall be assigned to his/her department without overlap of time or responsibilities, including on-call scheduling and daily inpatient rounds. Team Health's Scheduling Department is available to assist the medical director in the scheduling of physicians and the filling of unexpected vacancies that may arise due to illness or emergencies. A Team Health administrative staff member will be on call to your hospital 24 hours a day, 7 days a week. Completed schedules will be received by the hospital by the 15th of the prior month.

- L. **Practice Commitments:** VENDOR will provide for the following community related, contractual practice commitments and health care services: Medical/psychiatric exams; jail exams; substance abuse exams; school physical; employee health; shelter care; Harper cases; and medical education. VENDOR and Hospital will develop a schedule of physician assignments in order to fulfill these commitments.

Agreed. Kelly Medical Services Corporation will provide the following community-related, contractual practice commitments and health care services: Medical/psychiatric exams; jail exams; substance abuse exams; school physicals; employee health; shelter care; Harper cases; and medical education.

- M. **Medical Staff Participation:** VENDOR's health care providers will actively participate in hospital leadership roles such as the medical directorship, peer review and community work. VENDOR's physicians will participate in the medical staff organizations as described in the hospital's Medical Staff By-Laws and as developed by DHHR. VENDOR's physicians will provide consultation as requested by the other members of the medical staff.

Agreed. Kelly Medical Services Corporation's health care providers will actively participate in hospital leadership roles such as the medical directorship, peer review and community work. The physicians we provide will participate in the medical staff organizations as described in the hospital's Medical Staff By-Laws and as developed by the Agency. Our providers will provide consultation as requested by the members of the medical staff. We currently have physicians serving in leadership roles and participating in meetings and will continue to do so.

- N. **Professional Practice:** At times VENDOR shall provide health care providers who are qualified, professional, competent and duly licensed. Physicians must have a current DEA number. VENDOR shall provide Medicare numbers, Medicaid numbers, UPIN numbers, and any and all licenses normally required by VENDOR, its agents and employees. Physicians must apply and receive must participate in regular medical staff activities and responsibilities including teaching. Physicians and other

health care providers must complete medical records in a timely manner in compliance with regulations as established by third party reimbursement organizations and the hospital's Medical Staff By-Laws. VENDOR is responsible for notifying Hospital of any physician or other health care provider whose credentials at any time are not in compliance with this section. VENDOR must provide Hospital with a current list of all health care providers and the services they are providing as well as timely notice to Hospital of any change in physicians or other health care providers. The Hospital reserves the right to approve or reject, at any time, any health care provider proposed by VENDOR.

Agreed.

Physician Recruitment and Retention

The recruitment and retention of well-qualified, career-oriented physicians are the foundation of our continued success and growth. Team Health's physician recruitment specialists not only recruit physicians, but they also ensure that each selected physician is well-matched to both the hospital and the community. This has enabled Team Health to attain one of the **highest physician satisfaction rates** and one of the **highest physician retention rates** in the industry. In fact, according to a recent survey of our emergency physicians, more than 95 percent say that they would recommend Team Health to a colleague.

Aggressive Recruiting Program

With 30 plus years of experience in the industry, we have developed a formal and aggressive recruiting program, which enables us to achieve and maintain high levels of staffing and minimal turnover for our hospital clients.

Elements of this program include:

- A staff of over 60 professional recruiters
 - Many of whom are certified through the National Association of Physician Recruiters (NAPR), of which Team Health is a member
 - Most have more than ten years of experience recruiting emergency physicians
 - One of our recruiters has been selected to serve a three-year term on NAPR's Board of Directors
- Extensive print advertising in prominent clinical journals
- Regular, targeted direct mail campaigns
- Ongoing support of and communication with numerous residency programs and emergency medicine associations
- Aggressive Internet presence
- Attendance at a number of national and regional trade shows

Physician Retention

One reason physicians are initially attracted to Team Health is because of our reputation for being a physician-led organization. Team Health was founded by emergency physicians, and each of our regional emergency affiliates is led by an emergency physician.

Physicians choose to build long-term careers with Team Health because of our competitive compensation, commitment to continuing medical education (CME) and career growth opportunities. Our compensation includes regionally competitive hourly rates combined with performance incentives and professional liability insurance. Additionally, Team Health has earned the reputation of being a leader in the provision of continuing medical education. The *Team Health Institute* is accredited by the Accreditation Council for Continuing Medical Education (ACCME). As a special benefit, only Team Health physicians have access to CME opportunities on-line via Team Health's Web site, which provides them with a minimum of three hours of CME credits a month at no charge to the physician. Team Health physicians have numerous opportunities for growth within our system. Many of our physicians have been with us since our inception over 30 years ago.

Physician Scheduling

Team Health's Scheduling Department is available to assist the medical director in the scheduling of physicians and the filling of unexpected vacancies that may arise due to illness or emergencies. A Team Health administrative staff member will be on call to your hospital 24 hours a day, 7 days a week.

Credentialing Expertise

To save your staff time and money, our staff completes a background check, including verification of all licenses, state and federal drug permits, certifications and reference checks on all candidates. All qualified candidates have a personal interview with the Team Health physician recruitment specialist and the medical director.

To integrate our credentialing coordination program with your credentialing process, we are prepared to provide completed applications and current documentation on all contracted physicians working at your facility.

Kelly Medical Services Corporation

Kelly Medical Services Corporation, headquartered in Daniels, West Virginia, would be responsible for providing management and support services in the areas of Emergency Department care, surgery, anesthesia, radiology, pathology, geriatrics and the rural health care areas of internal medicine, walk-in clinic and pediatrics to Welch Community Hospital. Kelly Medical Services Corporation is affiliated with 87 health care professionals and 10 administrative and billing personnel. The group will be supported by the Team Health affiliate headquartered in Knoxville, Tennessee, that manages contracts in seven southeastern states, including West Virginia and Virginia. Kelly Medical Services Corporation will provide scheduling, recruiting, and credentialing services out of its Daniels office.

Kelly Medical Services Corporation hopes to continue providing Welch Community Hospital with the same high-quality services that the residents of McDowell County have enjoyed for 21 years. We look forward to a future of maintaining our excellent relationship with hospital administration, medical staff members and the patient population we serve.

Team Health History and Overview

Team Health was founded by emergency physicians and has continued to provide high-quality management, staffing and support services to our client hospitals throughout our 30 years of experience in clinical outsourcing services. Our dedicated healthcare professionals, experienced management and administrative staff, and vast array of enhanced services and programs have earned us the envied reputation of being the leader in clinical outsourcing.

Team Health Philosophy

Team Health's expertise in providing clinical outsourcing services to hospitals is unparalleled. We are committed to strengthening hospitals, supporting physicians and improving healthcare.

Mission Statement

We are a healthcare company committed to quality, efficiency and exceptional patient care.

Vision

To develop the best teams of healthcare professionals driven to advance patient care through leadership, innovation and teamwork.

Values

Team Health is a *physician-led, patient-focused* organization whose success stems from dedication to *innovation, teamwork* and *integrity*.

- o. **Accreditation and Licensure:** VENDOR and its health care providers will assist the hospital in its efforts to obtain and maintain all proper licenses, certification and accreditation by the Joint Commission on Accreditation of Health Care Organizations (JCAHO) and the Health Care Financing Authority/Office of Health Facilities Licensure and Certification (HCFA/OHFLAC). VENDOR will have available upon request a model of health care provider protocols that assures compliance with standards by JCAHO and HCFA/OHFLAC.

Team Health and our affiliated physicians maintain a thorough and current knowledge of all Joint Commission on Accreditation of Healthcare Organizations (JCAHO) standards and guidelines related to emergency medicine and actively participate in all inspections/surveys or regulatory matters.

To help Welch Community Hospital in these efforts, our Emergency Department Management Team is available to conduct an on-site mock survey before the actual JCAHO survey. In addition, we can provide a *JCAHO Survey Preparation Guide for Emergency Services* that assists your staff with the preparation process. Team Health's Performance Improvement Consultant Group can provide phone consultation assistance regarding specific questions or regulatory interpretations.

Currently almost all of our client hospital Emergency Departments meet or exceed the standards of quality developed by JCAHO. Our remaining client hospitals are accredited by the American Osteopathic Association and have chosen not to pursue JCAHO accreditation to date.

- P. Patient Referrals:** In order to assure continuation of this Hospital's ability to provide sub-specialty services, VENDOR's health care providers will, when medically and legally appropriate, refer patients to other physicians practicing at Welch Community Hospital. VENDOR's health care providers will make every effort to make appropriate referrals of patients for in-patient care at the hospital. VENDOR will assure its health care providers do not violate Section 1877 of the Social Security Act and any accompanying current and future regulations to Section 1877 of this Act (more commonly known as the "Stark Law"). VENDOR agrees to indemnify and hold harmless State and DHHR for its health care provider's violations of the Stark Law(s).

Providers affiliated with Kelly Medical Services Corporation at Welch Community Hospital will, when medically and legally appropriate, refer patients to other physicians practicing at Welch Community Hospital and make every effort to make appropriate referrals of patients for in-patient care at Welch Community Hospital. We will comply with the Stark Law and agree to indemnify and hold harmless State and Agency for its health care provider's violation of the Stark Law(s).

- Q. Medical Records:** VENDOR agrees to abide by Federal, State, DHHR and Hospital laws and guidelines for records privacy, retention and security. VENDOR will maintain records for a period of five (5) years from date of service and make those records available, upon written request, to the Secretary of the United State Department of Health and Human Services or the Comptroller General of the United States, their agents or assigns. VENDOR must maintain, and agrees to make available upon request, its policy with step-by-step guidelines for assuring appropriate management of medical records in compliance with all Federal, State, DHHR and Hospital mandates, including but not limited to Medicare and Medicaid guidelines.

Kelly Medical Services Corporation agrees to abide by all Federal, State, Agency and hospital laws and guidelines regarding medical records.

- R. Patient Grievances:** VENDOR must maintain, and agree to provide a policy with step-by-step description of handling patient complaints regarding services provided by and conduct of its health care providers. A copy should accompany the bid and must be provided upon request.

Kelly Medical Services Corporation maintains a policy to handle patient and medical staff complaints regarding services provided by and conduct of its health care providers. This is available upon request.

- S. **Anti-dumping Legislation:** VENDOR's health care physicians/health care providers must comply with anti-dumping laws involving the proper receipt, discharge and transfer of patients. VENDOR's health care providers shall be trained on the necessary receipt, discharge and discharge information to be completed and maintained. This training will be provided annually by the VENDOR to his health care providers and documentation of such will be provided to the HOSPITAL.

Agreed. Providers affiliated with Kelly Medical Services Corporation will comply with anti-dumping laws involving proper receipt, discharge and transfer of patients. We will ensure training of our affiliated providers on the necessary receipt, discharge and discharge information to be completed and maintained.

- T. **Non-competition clause:** An underlying DHHR objective in providing quality health care services is to promote the ability of patients to develop on-going, long term relationships with their health care provider; any contract between VENDOR and its health care providers shall not include a non-competition clause enforceable against the health care provider. This provision is adopted to ensure that a health care provider is not forced to leave his/her patients should they decide to leave the VENDOR's employ or because VENDOR's contract with the State and DHHR is terminated or not renewed.

We agree that no provider will be prohibited from working at Welch Community Hospital if our contract is not renewed.

- U. **Suspension or Termination of Health Care Provider:** VENDOR's health care providers' participation may be suspended or terminate by DHHR for any of the following reasons: (1) suspension or revocation of the license authorizing the provision of services; (2) a conviction of a criminal charge; (3) a failure to obtain and maintain active privileges at the hospital; or (4) suspension or revocation of the health care provider's DEA number and/or DEA privileges; or (5) as otherwise provided for herein below.
1. DHHR shall report in writing to VENDOR situations and actions involving VENDOR's health care providers which DHHR regards as evidencing substandard care or poor business practice(s) which are otherwise not in the best interest of patients or DHHR. This report shall contain DHHR's recommendations and/or opinions regarding appropriate VENDOR action. DHHR may also recommend the suspension or termination of a health care provider from participation under the contract although final determination shall remain with VENDOR. If VENDOR and DHHR cannot reach a mutually agreeable decision with respect to action to be taken against the health care provider, DHHR may elect to utilize the termination provisions contained herein.
 2. Notwithstanding the foregoing, DHHR may immediately suspend a health care provider's privileges when, in DHHR's opinion, there is a clear endangerment of employee or patient health,

welfare or safety. Such suspension shall continue until VENDOR's recommendations are made to DHHR. If DHHR does not agree with the recommendations and actions taken by VENDOR, DHHR may elect to utilize the termination provisions contained herein.

3. DHHR may report in writing to VENDOR services provide which, in DHHR's opinion, is inappropriate or excessive. VENDOR may, with fifteen (15) days from the date of such notification implement appropriate methods and measure to address the issues. DHHR shall also recommend the suspension or termination of a health care provider who DHHR believes is engaging in inappropriate or excessive utilization of services or resources, from participation under any contract although the final determination of suspension or termination shall rest with VENDOR. Should VENDOR elect not to act on DHHR's recommendations or opinions or take action inconsistent with DHHR's recommendations with fifteen (15) days, DHHR may elect to utilize the termination provisions contained herein.

Kelly Medical Services Corporation agrees to comply with the policies above regarding all parts of S: Suspension or termination of health care provider.

ARTICLE II. SPECIAL TERMS AND CONDITIONS

A. Bid and Performance Bonds: Not Applicable

B. Insurance Requirements:

VENDOR, as an independent contractor, shall be solely liable for the acts and omissions of its employees and agents. Vendor must have Worker's Compensation Insurance. VENDOR shall maintain and furnish proof of coverage of liability insurance for loss, damage, or injury (including death) of third parties arising from acts and omissions on the part of VENDOR, its agents and employees in the following amounts:

1. For bodily injury (including death): Minimum of \$1,000,000 per occurrence.
2. For property damage: Minimum of \$1,000,000 (one million dollars) per occurrence.
3. Professional liability: Minimum of \$1,000,000 (one million dollars) per occurrence.

Please see Appendix 3 for proof of general insurance and professional liability insurance, respectively

C. License Requirements:

VENDOR at all times shall provide health care providers who are qualified, professional, competent, duly licensed, and physicians must have a current DEA number. VENDOR'S physicians are required to have and maintain a valid and current CPR/first Aid card. VENDOR shall provide Medicare numbers, Medicaid numbers, UPIN numbers, and any and all licenses required by VENDOR, its agents and employees.

Kelly Medical Services agrees to the license requirements.

D. Continuity of Services:

This contract is intended to provide continuity of physician services and the management thereof on a continuous basis. In the event of termination of the contract by VENDOR, VENDOR must assume the continuity of health care services at a level consistent with the terms of the contract for a period not to exceed twelve (12) months from the notice of termination or until such time as DHHR can provide an alternative vendor.

Kelly Medical Services Corporation understands the requirements regarding the continuity of services.

ARTICLE III. GENERAL TERMS AND CONDITIONS

A. Conflict of Interest:

VENDOR affirms that it, its officers or members or employees presently have no interest and shall not acquire any interest, direct or indirect which would conflict or compromise in any manner or degree with the performance or its services hereunder. VENDOR shall periodically inquire of its officers, members and employees concerning such interests. Any such interests discovered shall be promptly presented in detail to DHHR.

Kelly Medical Services Corporation affirms that it, its officers or members or employees presently have no interest and shall not acquire any interest, direct or indirect, that would conflict or compromise in any manner or degree with the performance of its services hereunder. We also agree that in the performance of the contract, to periodically inquire of our officers, members and employees concerning such interests. Any such interest discovered shall be promptly presented in detail to the Agency.

B. Prohibition Against Gratuities:

VENDOR warrants that it has not employed any company or person other than a bona fide employee working solely for VENDOR or a company regularly employed as its marketing agent to solicit or secure the contract and that it has not paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon the contract.

For breach or violation of this warranty, the state shall have the right to annual any subsequent contract without liability at its discretion, and/or to pursue any other remedies available under this contract or by law.

Kelly Medical Services Corporation has not employed any company or person other than a bona fide employee working solely for the vendor or a company regularly employed as its marketing agent to solicit or secure the contract nor have we paid or agreed to pay any company or person any fee, commission, percentage, brokerage fee, gifts or any other consideration contingent upon or resulting from the award of the contract.

C. Certifications Related to Lobbying:

VENDOR certifies that no federal appropriated funds have been paid or will be paid, by or on behalf of the company or an employee thereof, to any person for purposes of influencing or

attempting to influence an officer or employee of any federal entity, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan, or cooperative agreement.

If any funds other than federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee or any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, VENDOR shall complete and submit a disclosure form to report the lobbying.

VENDOR agrees that this language of certification shall be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this contract was made and entered into.

Kelly Medical Services Corporation certifies that no federal appropriated funds have been paid or will be paid, by or on behalf of the company or an employee thereof, to any person for purposes of influencing or attempting to influence an officer or employee of any federal entity, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan, or cooperative agreement.

Kelly Medical Service Corporation agrees that this language of certification shall be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

D. Vendor Relationship to State and DHHR:

The relationship of VENDOR to the State will be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by the parties to this contract. As an independent contractor, VENDOR is solely liable for the acts and omissions of its employees and agents.

VENDOR shall be responsible for selecting, supervising and compensating any and all individuals employed pursuant to the terms of this contract. Neither the VENDOR nor any employees or contractors of VENDOR shall be deemed to be employees of the State for any purposes whatsoever.

VENDOR shall be exclusively responsible for payment of his/her employees and agents of all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits,

professional liability insurance premiums, contributions to insurance and pension or other deferred compensation plans, including but not limited to Workers' Compensation and Social Security obligations, and licensing fees, etc. and the filing of all necessary documents, forms and returns pertinent to all of the foregoing.

VENDOR shall not bring any type of legal action and shall hold harmless and provide the State and DHHR with a defense against any and all claims for which the State is held responsible, including but not limited to the foregoing payments, withholdings, contributions, taxes, social security taxes and employer income tax returns.

VENDOR shall not assign, convey, transfer or delegate any of its responsibilities and obligations under any subsequent contract to any person, corporation, partnership, association or entity without expressed written consent of DHHR.

Kelly Medical Services Corporation agrees to the relationship with the State and Agency as stated above.

E. Indemnification:

VENDOR agrees to indemnify, defend and hold harmless the State and DHHR, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person or firm performing or supplying services, materials or supplies in connection with the performance of the contract; (2) Any claims or losses resulting to any person or entity injured or damaged by VENDOR, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use or disposition of any data used under the contract in a manner not authorized by the contract, or Federal or State statutes or regulations; (3) Any failure of VENDOR, its officers, employees or subcontractors to observe State and Federal laws, including but not limited to labor and wage laws; and (4) Any claims or losses to any person or firm injured or damaged by the erroneous or negligent acts, including without limitation, disregard of federal or State Medicaid and Medicare statutes or regulations of VENDOR, its officers, employees, or subcontractors in the performance of the services required under this contract.

Kelly Medical Services Corporation agrees to the indemnification clause stated above.

F. Contract Provisions:

A purchase order will be executed between the DHHR and VENDOR. The order of precedence is the contract, specifications, terms and conditions, bid requirements, any addenda, and the vendor's bid.

Kelly Medical Services Corporation agrees to the above contract provisions.

G. Governing Law:

This contract shall be governed by the laws of the State of West Virginia. VENDOR further agrees to comply with the Civil Rights Act of 1964 and all other applicable Federal, State and Local Government rules, regulations and policies.

Kelly Medical Services Corporation agrees to comply with the laws of the State of West Virginia, the Civil Rights Act of 1964 and all other applicable Federal, State and Local Government rules, regulations and policies.

H. Compliance with Laws and Regulations:

In addition to the requirements found in Article 1-C. above, VENDOR shall procure all necessary permits and licenses to comply with all applicable laws, Federal, State or Municipal Laws, regulations, policies and ordinances. VENDOR must furnish certification of authority to do business in the State of West Virginia as a condition of a contract award.

West Virginia Code 21A-2-6 (18) prohibits the State or DHHR from contracting with any vendor not in compliance with Bureau of Employment Program regulations.

VENDOR shall pay any applicable sales, use, or personal property taxes arising out of the contract, the transaction, or the equipment, or services delivered pursuant hereto shall be done by VENDOR. It is clearly understood that the State of West Virginia is exempt from any taxes regarding performance of the scope of work of the resulting contract.

VENDOR shall procure all necessary permits and licenses and abide by all applicable laws, regulations, rules, policies and ordinances relating to licensure and regulation of physicians, other health care providers and hospitals. All standards of medical practice and professional duties of VENDOR and its employees shall be determined in accordance with the hospital's Medical Staff By-laws.

VENDOR shall agree to provide an annual attestation that it bills in accordance with Medicare and Medicaid laws. VENDOR shall produce a copy of its corporate compliance program relating thereto.

Kelly Medical Services Corporation agrees to comply with the aforementioned laws.

I. Subcontracts/Joint Ventures:

VENDOR is solely responsible for all work performed under the contract and shall assume prime contractor responsibility for all services offered and products to be delivered. The State and DHHR will consider VENDOR to be the sole point of contact with regard to all contractual matters. VENDOR may, with the prior written consent of the State and DHHR, enter into written subcontracts for performance of work. However, VENDOR shall remain responsible for payment of its employees or subcontractors.

Kelly Medical Services Corporation agrees to be solely responsible for all work performed under the contract and shall assume prime contractor responsibility for all services offered and products to be delivered. We understand that the State and Agency will consider the vendor to be the sole point of contact with regard to all contractual matters. We also understand that with the prior written consent of the State and Agency, we may enter into written subcontracts for

performance of work, and we would remain responsible for payment of its employees or subcontractors.

J. General.

1. VENDOR's health care providers shall agree to accept all patients regardless of their ability to pay and to bill indigent patients in accordance with the hospital's Patient Account Management Policy 3501.
http://intranet.wvdhhr.org/Policies/accounts_receivables.htm
Should any changes occur to this policy during the life of the contract and any subsequent renewals, VENDOR shall agree to abide by the changes.

Kelly Medical Services Corporation agrees.

2. The costs provided by VENDOR represent costs associate with physician compensation, malpractice insurance, billing costs and administrative costs to manage the contract. The costs quoted by VENDOR will not be subject to any increase and will be firm for each year of the contract, should it be renewed for the two subsequent years. VENDOR shall keep its revenue and costs financial records and supporting documentation segregated from those of other clients and from any other DHHR contract.

Kelly Medical Services Corporation agrees.

K. General Monthly Reimbursement for Rural Health Clinic Visits.

1. Hospital will bill all payers including Medicare/Medicaid, Part A&B services for rural health clinic claims. Hospital will bill rural health clinic patients for amounts due by the patient for co-payments and/or deductibles.

Kelly Medical Services Corporation agrees.

L. VENDOR Cost Reimbursement.

1. VENDOR will complete one (1) full month of service before invoicing DHHR.
2. DHHR may audit VENDOR to determine its actual costs.
3. Each quarter (three months), VENDOR shall submit a cost reconciliation statement with comments/ justifications for reconciliation changes.
4. If an audit or cost reconciliation reveals VENDOR's actual physician costs are less than those it submitted in the contract, VENDOR will be notified in writing. DHHR will arrange to meet with VENDOR to discuss the findings. Upon conclusive, mutually agreed upon evidence that costs are understated, VENDOR shall reimburse overpayments, in full, to DHHR. DHHR shall withhold the amount of reimbursement from the invoice to be paid in the month immediately following the month in which an overpayment is discovered. If the overpayment is discovered after the term of the contract is completed, the reimbursement shall be paid in the form of a check.
5. If audit or cost reconciliation reveals that VENDOR has received an amount in excess of the agreed upon total

compensation, through monthly collections for services provided within the facility, through Rural Health Clinic visit billing, and through the monthly state payment to provide physician coverage, this amount shall be reimbursed in full to DHHR.

6. If, in any month, VENDOR fails to provide DHHR with the services and coverage required, VENDOR shall reduce the monthly billing appropriately. If VENDOR fails to reduce any monthly billing for services and coverage it failed to provide, VENDOR shall agree to pay DHHR, an amount equal to three (3) times the amount of the overcharge. DHHR shall notify VENDOR of its failure to provide services and coverage, reduce its invoice appropriately and provide VENDOR with an opportunity to contest the overcharge determination. At all times, the burden remains with VENDOR to maintain objective documentation to prove it provided all services it is required to provide under the contract and for all services for which it billed DHHR.
7. VENDOR's contract shall not include expenses unrelated to the cost of providing the services set forth herein. Examples include, but are not limited to, penalties, donations, contributions, and income tax expenses.

Kelly Medical Services Corporation agrees with all parts of L. Vendor Cost Reimbursement.

M. Invoices and Progress Payments:

1. VENDOR must submit invoices, in arrears, to DHHR at the address on the face of the purchase order labeled "Invoice To" pursuant to the terms of the contract. The invoices must be in a form approved by the Department and shall enclose a monthly activity log. VENDOR will be responsible for payment of all subcontracts, staff, and any other support staff contracted to provide services. State law forbids payment of invoices prior to receipt of services. The Department reserves the right to reject any or all invoices for which proper documentation has not been provided. VENDOR will be notified of deficiencies with fifteen (15) days of receipt of the invoice.
2. Purchasing Card Acceptance: The State of West Virginia Currently utilizes a VISA purchasing card program which is issued through a bank. The successful vendor must accept the State of West Virginia VISA purchasing card for payment of all orders placed by any State agency as a condition of award.
3. VENDOR will invoice monthly and will provide detailed documentation supporting the invoiced amount. This documentation will include, by department/clinic, each health care provider's signed time record which shall indicate actual work time and on-call hours and a detailed account of actual costs incurred by VENDOR with an accounts receivable aging summary included. VENDOR's health care providers shall maintain accurate time records in addition to using the hospital's time clock to record time-in and time-out of the hospital. VENDOR's invoice shall also document any service or partial service that was not provided pursuant to the terms of the contract and VENDOR shall reduce the invoice appropriately. If there is service or partial service which VENDOR did not provide, the invoice

must contain a detailed explanation of the reason such service was not provided.

4. VENDOR shall submit invoices, in arrears, by the 15th of each month, to DHHR at the address on the face of the purchase order labeled "Invoice To" pursuant to the terms of the contract.
5. DHHR and VENDOR shall determine the format of the invoice form. DHHR reserves the right to modify the invoice format at any time if additional information is required.

Kelly Medical Services Corporation agrees will all parts of M, including Invoices and Progress Payments.

N. Liquidated Damages:

When VENDOR fails to provide services set forth in the contract, VENDOR agrees that liquidate damages shall be imposed. The amount of the liquidated damages imposed on VENDOR shall be no greater than the value of the service VENDOR failed to provide as set forth in the VENDOR's contract pricing.

Kelly Medical Services Corporation agrees to the stipulations regarding liquidated damages.

O. Record Retention (Access & Confidentiality):

VENDOR shall comply with all applicable federal and State of West Virginia laws, rules, regulations and requirements governing the maintenance of documentation to verify any cost of services or commodities rendered by VENDOR. VENDOR shall maintain such records a minimum of five (5) years from the end of the contact period and make available all records to DHHR personnel at VENDOR's location during normal business hours upon written request by DHHR with ten (10) days after receipt of the request.

VENDOR, its employees and agents shall have access to private and confidential data maintained by Hospital to the extent required for VENDOR to carry out the duties and responsibilities defined in the contract. VENDOR shall indemnify and hold harmless the State and DHHR against any and all claims, brought by any party, attributed to actions of breach of confidentiality by VENDOR, subcontractors, or individuals permitted access by VENDOR, including legal fees and disbursement paid of incurred to enforce the provisions of the contract. VENDOR shall accept responsibility for providing adequate supervision and training to its agents and employees to ensure that confidentiality is maintained. No private or confidential data, maintained or used during the course of the contract period shall be disseminated except as authorized by statute either during the contract period or thereafter.

Kelly Medical Services Corporation agrees to comply with the terms regarding the accessibility and confidentiality of record retention.

P. News Release:

News releases or other publicity pertaining the services to be provided under this contract shall not be made without prior approval by DHHR.

Kelly Medical Services Corporation will request the Agency's approval for any news releases or publicity pertaining to the services provided under this RFP.

Q. Contract Monitoring, Accounting and Auditing:

1. Vendor shall maintain accounting records and supporting documentation relating to the performance of the services to be provided under this contract (see Section S, above). These accounting records shall be maintained in accordance with generally accepted accounting principles. Authorized representative or agents of the State and DHHR shall have access to the accounting records and documentation, of VENDOR and any subcontractor, upon reasonable notice and at reasonable times during the performance and/or retention period of the contract for purpose of review, analysis, inspection and audit. DHHR and other State and/or federal agencies and their authorized representatives or agents shall have access to all accounting and financial records of any individual, partnership, firm or corporation insofar as they relate to transactions connected with this contract.
2. VENDOR shall provide the State or Agent or authorized governmental official with full access to records regarding performance related to the contract for the purpose of monitoring, review and testing of VENDOR's operations relating to performance with the time frame set forth above. For each day VENDOR refuses DHHR access to its records or copies of any specific record, DHHR will impose a \$2.50 per day fine.
3. VENDOR shall maintain books, records, documents and other evidence pertaining to the administrative costs and expenses of the contract to the extent and in such detail as shall properly reflect all revenues and cost of whatever nature for which reimbursement is claimed under the provisions of the contract. VENDOR shall agree that authorized federal, State and DHHR representatives shall have access to and the right to examine the items listed above during the contract period and during the five year post-contract period or until final resolution of all pending audit questions and litigation. During the contract period, access to these items will be provided to DHHR at all reasonable times. During the five-year post-contract period, delivery of and access to the listed items will be at no cost to the State or DHHR.
4. DHHR may, at its option, conduct audits of VENDOR's operations as they pertain to the provision of services and billings and reimbursements pursuant to the contracted services. DHHR agrees to provide no less than thirty (30) days advance written notice to VENDOR of any audit to be performed.
5. If VENDOR carries out any of the duties of this contract through a subcontract with a value of cost of \$10,000 or more over a 12-month period, the subcontract shall contain a clause to the effect that until the expiration of five years after the furnishing of services pursuant to the subcontract, the subcontractee shall make available, upon

request of the State, DHHR or Secretary of the United States Department of Health and Human Services, or any of their duly authorized representatives, the subcontract, and any and all of its books, documents, and records that are necessary to certify the nature and extent of such costs.

Kelly Medical Services Corporation agrees to all parts of Q, including contract monitoring, accounting and auditing terms.

R. Debarment and Suspension:

Vendor certifies that no entity, agency, subcontractor or person associated with the VENDOR is currently debarred or suspended by any state or the Federal government

Kelly Medical Services Corporation understands and agrees with the policy regarding debarment and suspension.

S. Health Insurance Portability and Accountability Act (HIPAA) of 1996

The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's website: (<http://www.state.wv.us/admin/purchase/vrc/wvBaaAgApproved20100802.pdf>) is hereby made part of this agreement. All Future updates to the BAA will be considered part of this agreement.

Kelly Medical Services Corporation agrees to the Business Associate Addendum.

T. Inspection

A mandatory vendor prebid meeting will be held on July 12, 2012 at 1PM in the conference room at Welch Community Hospital located at 454 McDowell Street, Welch, WV/ Failure to attend this mandatory prebid conference will result in bid rejection. One individual cannot represent more than one vendor.

Kelly Medical Services Corporation agrees and had two individuals, Michael Kelly, MD and Patty Keith, attend the mandatory prebid meeting.

Appendix 1:

RFQ Acknowledgement



State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

Solicitation

NUMBER
WEH13021

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
ROBERTA WAGNER
304-558-0067

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RFQ COPY
TYPE NAME/ADDRESS HERE
Kelly Medical Services Corp.

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HEALTH AND HUMAN RESOURCES
WELCH COMMUNITY HOSPITAL
454 MCDOWELL STREET
WELCH, WV
24801 304-436-8710

DATE PRINTED
06/26/2012

BID OPENING DATE: 07/25/2012 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	YR	948-74	OPEN-END BLANKET CONTRACT ***** MANDATORY PRE-BID MEETING ON 7/12/2012 AT 1:00 PM ***** THIS IS A RE-BID OF WEH90024, WEH12002, & WEH12130 ***** TO PROVIDE CERTAIN HEALTH CARE PROVIDER SERVICES FOR WELCH COMMUNITY HOSPITAL. CONTRACT FOR HEALTH CARE PROVIDER SERVICES PER THE ATTACHED SPECIFICATIONS.		

SIGNATURE John Hellmann TELEPHONE 865-985-7002 DATE 7/23/12
 TITLE EVP FEIN 55-0656334 ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO SOLICITATION, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

INSTRUCTIONS TO VENDORS SUBMITTING BIDS

1. **REVIEW DOCUMENTS THOROUGHLY:** The attached documents contain a solicitation for bids. Please read these instructions and all documents attached in their entirety. These instructions provide critical information about requirements that if overlooked could lead to disqualification of a Vendor's bid. All bids must be submitted in accordance with the provisions contained in these instructions and the Solicitation. Failure to do so may result in disqualification of Vendor's bid.
2. **MANDATORY TERMS:** The Solicitation may contain mandatory provisions identified by the use of the words "must," "will," and "shall." Failure to comply with a mandatory term in the Solicitation will result in bid disqualification.
3. **PRE-BID MEETING:** The item identified below shall apply to this Solicitation.

A pre-bid meeting will not be held prior to bid opening.

A NON-MANDATORY PRE-BID meeting will be held at the following place and time:

[insert date and time]

[insert address of pre-bid]

A MANDATORY PRE-BID meeting will be held at the following place and time:

July 12, 2012 at 1:00 pm

Welch Community Hospital Conf. Room, 454 McDowell St., Welch, WV 24801

All Vendors submitting a bid must attend the mandatory pre-bid meeting. Failure to attend the mandatory pre-bid meeting shall result in disqualification of the Vendor's bid. No one person attending the pre-bid meeting may represent more than one Vendor.

An attendance sheet provided at the pre-bid meeting shall serve as the official document verifying attendance. The State will not accept any other form of proof or documentation to verify attendance. Any person attending the pre-bid meeting on behalf of a Vendor must list on the attendance sheet his or her name and the name of the Vendor he or she is representing. Additionally, the person attending the pre-bid meeting should include the Vendor's E-Mail address and Fax number on the attendance sheet. It is the Vendor's responsibility to locate the attendance sheet and provide the required information. Failure to complete the attendance sheet as required may result in disqualification of Vendor's bid.

All Vendors should arrive prior to the starting time for the pre-bid. Vendors who arrive after the starting time but prior to the end of the pre-bid will be permitted to sign in, but are charged with knowing all matters discussed at the pre-bid.

Questions submitted at least five business days prior to a scheduled pre-bid will be discussed at the pre-bid meeting if possible. Any discussions or answers to questions at

the pre-bid meeting are preliminary in nature and are non-binding. Official and binding³ answers to questions will be published in a written addendum to the Solicitation prior to bid opening.

4. **VENDOR QUESTION DEADLINE:** Vendors may submit questions relating to this Solicitation to the Purchasing Division. Questions must be submitted in writing. All questions must be submitted on or before the date listed below and to the address listed below in order to be considered. A written response will be published in a Solicitation addendum if a response is possible and appropriate. Non-written discussions, conversations, or questions and answers regarding this Solicitation are preliminary in nature and are non-binding.

Question Submission Deadline: **7/16/2012 at Close of Business**

Submit Questions to: Roberta Wagner
2019 Washington Street, East
P.O. Box 50130
Charleston, WV 25305
Fax: 304-558-4115
Email: roberta.a.wagner@wv.gov

5. **VERBAL COMMUNICATION:** Any verbal communication between the Vendor and any State personnel is not binding, including that made at the mandatory pre-bid conference. Only information issued in writing and added to the Solicitation by an official written addendum by the Purchasing Division is binding.
6. **BID SUBMISSION:** All bids must be signed and delivered by the Vendor to the Purchasing Division at the address listed below on or before the date and time of the bid opening. Any bid received by the Purchasing Division staff is considered to be in the possession of the Purchasing Division and will not be returned for any reason. The bid delivery address is:

Department of Administration, Purchasing Division
2019 Washington Street East
P.O. Box 50130,
Charleston, WV 25305-0130

The bid should contain the information listed below on the face of the envelope or the bid may not be considered:

SEALED BID
BUYER: _____
SOLICITATION NO.: _____
BID OPENING DATE: _____
BID OPENING TIME: _____
FAX NUMBER: _____

In the event that Vendor is responding to a request for proposal, the Vendor shall submit one original technical and one original cost proposal plus n/a convenience copies of each to the Purchasing Division at the address shown above. Additionally, the Vendor should identify the bid type as either a technical or cost proposal on the face of each bid envelope submitted in response to a request for proposal or expression of interest as follows: 4

BID TYPE: Technical
 Cost

7. **BID OPENING:** Bids submitted in response to this Solicitation will be opened at the location identified below on the date and time listed below. Delivery of a bid after the bid opening date and time will result in bid disqualification. For purposes of this Solicitation, a bid is considered delivered when time stamped by the official Purchasing Division time clock.

Bid Opening Date and Time: 7/25/2012 at 1:30 pm

Bid Opening Location: Department of Administration, Purchasing Division
2019 Washington Street East
P.O. Box 50130,
Charleston, WV 25305-0130

8. **ADDENDUM ACKNOWLEDGEMENT:** Changes or revisions to this Solicitation will be made by an official written addendum issued by the Purchasing Division. Vendor should acknowledge receipt of all addenda issued with this Solicitation by completing an Addendum Acknowledgment Form, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.
9. **BID FORMATTING:** Vendor should type or electronically enter the information onto its bid to prevent errors in the evaluation. Failure to type or electronically enter the information may result in bid disqualification.

GENERAL TERMS AND CONDITIONS:

1. **CONTRACTUAL AGREEMENT:** Issuance of a Purchase Order signed by the Purchasing Division Director, or his designee, and approved as to form by the Attorney General's office constitutes acceptance of this Contract made by and between the State of West Virginia and the Vendor. Vendor's signature on its bid signifies Vendor's agreement to be bound by and accept the terms and conditions contained in this Contract.

2. **DEFINITIONS:** As used in this Solicitation / Contract, the following terms shall have the meanings attributed to them below. Additional definitions may be found in the specifications included with this Solicitation / Contract.
 - 2.1 **"Agency" or "Agencies"** means the agency, board, commission, or other entity of the State of West Virginia that is identified on the first page of the Solicitation or any other public entity seeking to procure goods or services under this Contract.

 - 2.2 **"Contract"** means the binding agreement that is entered into between the State and the Vendor to provide the goods and services requested in the Solicitation.

 - 2.3 **"Director"** means the Director of the West Virginia Department of Administration, Purchasing Division.

 - 2.4 **"Purchasing Division"** means the West Virginia Department of Administration, Purchasing Division.

 - 2.5 **"Purchase Order"** means the document signed by the Agency and the Purchasing Division, and approved as to form by the Attorney General, that identifies the Vendor as the successful bidder and Contract holder.

 - 2.6 **"Solicitation"** means the official solicitation published by the Purchasing Division and identified by number on the first page thereof.

 - 2.7 **"State"** means the State of West Virginia and/or any of its agencies, commissions, boards, etc. as context requires.

 - 2.8 **"Vendor" or "Vendors"** means any entity submitting a bid in response to the Solicitation, the entity that has been selected as the lowest responsible bidder, or the entity that has been awarded the Contract as context requires.

3. **CONTRACT TERM; RENEWAL; EXTENSION:** The term of this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below:

Term for Open End, Service, and Similar Contracts

Initial Contract Term: This Contract becomes effective on award and extends for a period of (1) one year(s).

Renewal Term: This Contract may be renewed upon the mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). Any request for renewal must be submitted to the Purchasing Division Director thirty (30) days prior to the expiration date of the initial contract term or appropriate renewal term. A Contract renewal shall be in accordance with the terms and conditions of the original contract. Renewal of this Contract is limited to (2) two successive one (1) year periods. Automatic renewal of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases. Attorney General approval may be required for vendor terms and conditions.

Reasonable Time Extension: At the sole discretion of the Purchasing Division Director, and with approval from the Attorney General's office (Attorney General approval is as to form only), this Contract may be extended for a reasonable time after the initial Contract term or after any renewal term as may be necessary to obtain a new contract or renew this Contract. Any reasonable time extension shall not exceed twelve (12) months. Vendor may avoid a reasonable time extension by providing the Purchasing Division Director with written notice of Vendor's desire to terminate this Contract 30 days prior to the expiration of the then current term. During any reasonable time extension period, the Vendor may terminate this Contract for any reason upon giving the Purchasing Division Director 30 days written notice. Automatic extension of this Contract is prohibited. Notwithstanding the foregoing, Purchasing Division approval is not required on agency delegated or exempt purchases, but Attorney General approval may be required.

One Time Purchase: The term of this Contract shall run for one year from the date the Purchase Order is issued or from the date the Purchase Order is issued until all of the goods contracted for have been delivered, whichever is shorter.

4. **QUANTITIES:** The quantities required under this Contract shall be determined in accordance with the category that has been identified as applicable to this Contract below.

Open End Contract: Quantities listed in this Solicitation are approximations only, based on estimates supplied by the Agency. It is understood and agreed that the Contract shall cover the quantities actually ordered for delivery during the term of the Contract, whether more or less than the quantities shown.

Service: The scope of the service to be provided will be more clearly defined in the specifications included herewith.

Combined Service and Goods: The scope of the service and deliverable goods to be provided⁷ will be more clearly defined in the specifications included herewith.

One Time Purchase: This Contract is for the purchase of a set quantity of goods that are identified in the specifications included herewith. Once those items have been delivered, no additional goods may be procured under this Contract without an appropriate change order approved by the Vendor, Agency, Purchasing Division, and Attorney General's office.

5. **PRICING:** The pricing set forth herein is firm for the life of the Contract, unless specified elsewhere within this Solicitation/Contract by the State. A Vendor's inclusion of price adjustment provisions in its bid, without an express authorization from the State in the Solicitation to do so, may result in bid disqualification.

6. **EMERGENCY PURCHASES:** The Purchasing Division Director may authorize the Agency to purchase goods or services in the open market that Vendor would otherwise provide under this Contract if those goods or services are for immediate or expedited delivery in an emergency. Emergencies shall include, but are not limited to, delays in transportation or an unanticipated increase in the volume of work. An emergency purchase in the open market, approved by the Purchasing Division Director, shall not constitute a breach of this Contract and shall not entitle the Vendor to any form of compensation or damages. This provision does not excuse the State from fulfilling its obligations under a One Time Purchase contract.

7. **REQUIRED DOCUMENTS:** All of the items checked below must be provided to the Purchasing Division by the Vendor as specified below.

BID BOND: All Vendors shall furnish a bid bond in the amount of five percent (5%) of the total amount of the bid protecting the State of West Virginia. The bid bond must be submitted with the bid.

PERFORMANCE BOND: The apparent successful Vendor shall provide a performance bond in the amount of ~~[100% of the Contract value or \$]~~. The performance bond must be issued and received by the Purchasing Division prior to Contract award. On construction contracts, the performance bond must be 100% of the Contract value.

LABOR/MATERIAL PAYMENT BOND: The apparent successful Vendor shall provide a labor/material payment bond in the amount of 100% of the Contract value. The labor/material payment bond must be issued and delivered to the Purchasing Division prior to Contract award.

In lieu of the Bid Bond, Performance Bond, and Labor/Material Payment Bond, the Vendor may provide certified checks, cashier's checks, or irrevocable letters of credit. Any certified check, cashier's check, or irrevocable letter of credit provided in lieu of a bond must be of the same amount and delivered on the same schedule as the bond it replaces. A letter of credit submitted in lieu of a performance and labor/material payment bond will only be allowed for projects under \$100,000. Personal or business checks are not acceptable.

- MAINTENANCE BOND:** The apparent successful Vendor shall provide a two (2) year maintenance bond covering the roofing system. The maintenance bond must be issued and delivered to the Purchasing Division prior to Contract award.
- WORKERS' COMPENSATION INSURANCE:** The apparent successful Vendor shall have appropriate workers' compensation insurance and shall provide proof thereof upon request.
- INSURANCE:** The apparent successful Vendor shall furnish proof of the following insurance prior to Contract award:
 - Commercial General Liability Insurance:** minimum of \$1,000,000.00 per occurrence for bodily injury and property damage.
 - Builders Risk Insurance:** builders risk – all risk insurance in an amount equal to 100% of the amount of the Contract.
 - Professional Liability Insurance-** minimum of \$1,000,000.00 per occurrence. The State of West Virginia shall be named the certificate holder.
 - [Insert required insurance]
 - [Insert required insurance]
 - [Insert required insurance]
 - [Insert required insurance]

The apparent successful Vendor shall also furnish proof of any additional insurance requirements contained in the specifications prior to Contract award regardless of whether or not that insurance requirement is listed above.

- LICENSE(S) / CERTIFICATIONS:** In addition to anything required under Section 39, entitled Licensing, of the General Terms and Conditions, the apparent successful Vendor shall furnish proof of the following licenses prior to Contract award, in a form acceptable to the Purchasing Division.
 - Current DEA number, current CPR/First aid card, Medicare numbers, Medicaid numbers, UPIN numbers, and any and all licenses required by vendor, its agents and employees.
 - [Insert required license or certification]

The apparent successful Vendor shall also furnish proof of any additional licenses or certifications contained in the specifications prior to Contract award regardless of whether or not that requirement is listed above.

- 8. LITIGATION BOND:** The Director reserves the right to require any Vendor that files a protest of an award to submit a litigation bond in the amount equal to one percent of the lowest bid submitted or

\$5,000, whichever is greater. The entire amount of the bond shall be forfeited if the hearing officer determines that the protest was filed for frivolous or improper purpose, including but not limited to, the purpose of harassing, causing unnecessary delay, or needless expense for the Agency. All litigation bonds shall be made payable to the Purchasing Division. In lieu of a bond, the protester may submit a cashier's check or certified check payable to the Purchasing Division. Cashier's or certified checks will be deposited with and held by the State Treasurer's office. If it is determined that the protest has not been filed for frivolous or improper purpose, the bond or deposit shall be returned in its entirety.

9. **ALTERNATES:** Any model, brand, or specification listed herein establishes the acceptable level of quality only and is not intended to reflect a preference for, or in any way favor, a particular brand or vendor. Vendors may bid alternates to a listed model or brand provided that the alternate is at least equal to the model or brand and complies with the required specifications. The equality of any alternate being bid shall be determined by the State at its sole discretion. Any Vendor bidding an alternate model or brand should clearly identify the alternate items in its bid and should include manufacturer's specifications, industry literature, and/or any other relevant documentation demonstrating the equality of the alternate items. Failure to provide information for alternate items may be grounds for rejection of a Vendor's bid.
10. **EXCEPTIONS AND CLARIFICATIONS:** The Solicitation contains the specifications that shall form the basis of a contractual agreement. Vendor shall clearly mark any exceptions, clarifications, or other proposed modifications in its bid. Exceptions to, clarifications of, or modifications of a requirement or term and condition of the Solicitation may result in bid disqualification.
11. **LIQUIDATED DAMAGES:** Vendor shall pay liquidated damages in the amount of no greater than the value of the service VENDOR failed to provide as set forth in the VENDOR's contract pricing for failing to provide services as set forth in the contract. This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other available remedy.
12. **ACCEPTANCE/REJECTION:** The State may accept or reject any bid in whole, or in part. Vendor's signature on its bid signifies acceptance of the terms and conditions contained in the Solicitation and Vendor agrees to be bound by the terms of the Contract, as reflected in the Purchase Order, upon receipt.
13. **REGISTRATION:** Prior to Contract award, the apparent successful Vendor must be properly registered with the West Virginia Purchasing Division and must have paid the \$125 fee if applicable.
14. **COMMUNICATION LIMITATIONS:** In accordance with West Virginia Code of State Rules §148-1-6.6, communication with the State of West Virginia or any of its employees regarding this Solicitation during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited without prior Purchasing Division approval. Purchasing Division approval for such communication is implied for all agency delegated and exempt purchases.
15. **FUNDING:** This Contract shall continue for the term stated herein, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise made available, this Contract becomes void and of no effect beginning on July 1 of the fiscal year for which funding has not been appropriated or otherwise made available.

- 16. PAYMENT:** Payment in advance is prohibited under this Contract. Payment may only be made after the delivery and acceptance of goods or services. The Vendor shall submit invoices, in arrears, to the Agency at the address on the face of the purchase order labeled "Invoice To."
- 17. UNIT PRICE:** Unit prices shall prevail in cases of a discrepancy in the Vendor's bid.
- 18. DELIVERY:** All quotations are considered freight on board destination ("F.O.B. destination") unless alternate shipping terms are clearly identified in the bid. Vendor's listing of shipping terms that contradict the shipping terms expressly required by this Solicitation may result in bid disqualification.
- 19. INTEREST:** Interest attributable to late payment will only be permitted if authorized by the West Virginia Code. Presently, there is no provision in the law for interest on late payments.
- 20. PREFERENCE:** Vendor Preference may only be granted upon written request and only in accordance with the West Virginia Code § 5A-3-37 and the West Virginia Code of State Rules. A Resident Vendor Certification form has been attached hereto to allow Vendor to apply for the preference. Vendor's failure to submit the Resident Vendor Certification form with its bid will result in denial of Vendor Preference. Vendor Preference does not apply to construction projects.
- 21. SMALL, WOMAN-OWNED, OR MINORITY-OWNED BUSINESSES:** For any solicitations publicly advertised for bid on or after July 1, 2012, in accordance with West Virginia Code §5A-3-37(a)(7) and W. Va. CSR § 148-22-9, any non-resident vendor certified as a small, women-owned, or minority-owned business under W. Va. CSR § 148-22-9 shall be provided the same preference made available to any resident vendor. Any non-resident small, women-owned, or minority-owned business must identify itself as such in writing, must submit that writing to the Purchasing Division with its bid, and must be properly certified under W. Va. CSR § 148-22-9 prior to submission of its bid to receive the preferences made available to resident vendors. Preference for a non-resident small, woman-owned, or minority owned business shall be applied in accordance with W. Va. CSR § 148-22-9.
- 22. TAXES:** The Vendor shall pay any applicable sales, use, personal property or any other taxes arising out of this Contract and the transactions contemplated thereby. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
- 23. CANCELLATION:** The Purchasing Division Director reserves the right to cancel this Contract immediately upon written notice to the vendor if the materials or workmanship supplied do not conform to the specifications contained in the Contract. The Purchasing Division Director may cancel any purchase or Contract upon 30 days written notice to the Vendor in accordance with West Virginia Code of State Rules § 148-1-7.16.2.
- 24. WAIVER OF MINOR IRREGULARITIES:** The Director reserves the right to waive minor irregularities in bids or specifications in accordance with West Virginia Code of State Rules § 148-1-4.6.
- 25. TIME:** Time is of the essence with regard to all matters of time and performance in this Contract.
- 26. APPLICABLE LAW:** This Contract is governed by and interpreted under West Virginia law without giving effect to its choice of law principles. Any information provided in specification manuals, or any

other source, verbal or written, which contradicts or violates the West Virginia Constitution, West Virginia Code or West Virginia Code of State Rules is void and of no effect.

27. **COMPLIANCE:** Vendor shall comply with all applicable federal, state, and local laws, regulations and ordinances. By submitting a bid, Vendors acknowledge that they have reviewed, understand, and will comply with all applicable law.
28. **PREVAILING WAGE:** On any contract for the construction of a public improvement, Vendor and any subcontractors utilized by Vendor shall pay a rate or rates of wages which shall not be less than the fair minimum rate or rates of wages (prevailing wage), as established by the West Virginia Division of Labor under West Virginia Code §§ 21-5A-1 et seq. and available at <http://www.sos.wv.gov/administrative-law/wagerates/Pages/default.aspx>. Vendor shall be responsible for ensuring compliance with prevailing wage requirements and determining when prevailing wage requirements are applicable. The required contract provisions contained in West Virginia Code of State Rules § 42-7-3 are specifically incorporated herein by reference.
29. **ARBITRATION:** Any references made to arbitration contained in this Contract, Vendor's bid, or in any American Institute of Architects documents pertaining to this Contract are hereby deleted, void, and of no effect.
30. **MODIFICATIONS:** This writing is the parties' final expression of intent. Notwithstanding anything contained in this Contract to the contrary, no modification of this Contract shall be binding without mutual written consent of the Agency, and the Vendor, with approval of the Purchasing Division and the Attorney General's office (Attorney General approval is as to form only). **No Change shall be implemented by the Vendor until such time as the Vendor receives an approved written change order from the Purchasing Division.** Notwithstanding the foregoing, Purchasing Division approval may or may not be required on certain agency delegated or exempt purchases.
31. **WAIVER:** The failure of either party to insist upon a strict performance of any of the terms or provision of this Contract, or to exercise any option, right, or remedy herein contained, shall not be construed as a waiver or a relinquishment for the future of such term, provision, option, right, or remedy, but the same shall continue in remain in full force and effect. Any waiver must be expressly stated in writing and signed by the waiving party.
32. **SUBSEQUENT FORMS:** The terms and conditions contained in this Contract shall supersede any and all subsequent terms and conditions which may appear on any form documents submitted by Vendor to the Agency or Purchasing Division such as price lists, order forms, invoices, sales agreements, or maintenance agreements, and includes internet websites or other electronic documents. Acceptance or use of Vendor's forms does not constitute acceptance of the terms and conditions contained thereon.
33. **ASSIGNMENT:** Neither this Contract nor any monies due, or to become due hereunder, may be assigned by the Vendor without the express written consent of the Agency, the Purchasing Division, the Attorney General's office (as to form only), and any other government agency or office that may be required to approve such assignments. Notwithstanding the foregoing, Purchasing Division approval may or may not be required on certain agency delegated or exempt purchases.

34. **WARRANTY:** The Vendor expressly warrants that the goods and/or services covered by this Contract² will: (a) conform to the specifications, drawings, samples, or other description furnished or specified by the Agency; (b) be merchantable and fit for the purpose intended; and (c) be free from defect in material and workmanship.
35. **STATE EMPLOYEES:** State employees are not permitted to utilize this Contract for personal use and the Vendor is prohibited from permitting or facilitating the same.
36. **BANKRUPTCY:** In the event the Vendor files for bankruptcy protection, the State of West Virginia may deem this Contract null and void, and terminate this Contract without notice.
37. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at <http://www.state.wv.us/admin/purchase/vrc/hipaa.html> and is hereby made part of the agreement provided that the Agency meets the definition of a Covered entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the Vendor.
38. **CONFIDENTIALITY:** The Vendor agrees that it will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the Agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the Agency's policies, procedures, and rules. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/default.html>.
39. **DISCLOSURE:** Vendor's response to the Solicitation and the resulting Contract are considered public documents and will be disclosed to the public in accordance with the laws, rules, and policies governing the West Virginia Purchasing Division. Those laws include, but are not limited to, the Freedom of Information Act found in West Virginia Code § 29B-1-1 et seq.

If a Vendor considers any part of its bid to be exempt from public disclosure, Vendor must so indicate by specifically identifying the exempt information, identifying the exemption that applies, providing a detailed justification for the exemption, segregating the exempt information from the general bid information, and submitting the exempt information as part of its bid but in a segregated and clearly identifiable format. Failure to comply with the foregoing requirements will result in public disclosure of the Vendor's bid without further notice. A Vendor's act of marking all or nearly all of its bid as exempt is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor's act of marking a bid or any part thereof as "confidential" or "proprietary" is not sufficient to avoid disclosure and WILL NOT BE HONORED. In addition, a legend or other statement indicating that all or substantially all of the bid is exempt from disclosure is not sufficient to avoid disclosure and WILL NOT BE HONORED. Vendor will be required to defend any claimed exemption for nondisclosure in the event of an administrative or judicial challenge to the State's nondisclosure. Vendor must indemnify the State for any costs incurred related to any exemptions claimed by Vendor. Any questions regarding the applicability of the the various public records laws should be addressed to your own legal counsel prior to bid submission.

40. **LICENSING:** In accordance with West Virginia Code of State Rules §148-1-6.1.7, Vendor must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agency or political subdivision. Upon request, the Vendor must provide all necessary releases to obtain information to enable the Purchasing Division Director or the Agency to verify that the Vendor is licensed and in good standing with the above entities.

41. **ANTITRUST:** In submitting a bid to, signing a contract with, or accepting a Purchase Order from any agency of the State of West Virginia, the Vendor agrees to convey, sell, assign, or transfer to the State of West Virginia all rights, title, and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the State of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to Vendor.

42. **VENDOR CERTIFICATIONS:** By signing its bid or entering into this Contract, Vendor certifies (1) that its bid was made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership, person or entity submitting a bid for the same material, supplies, equipment or services; (2) that its bid is in all respects fair and without collusion or fraud; (3) that this Contract is accepted or entered into without any prior understanding, agreement, or connection to any other entity that could be considered a violation of law; and (4) that it has reviewed this RFQ in its entirety; understands the requirements, terms and conditions, and other information contained herein. Vendor's signature on its bid also affirms that neither it nor its representatives have any interest, nor shall acquire any interest, direct or indirect, which would compromise the performance of its services hereunder. Any such interests shall be promptly presented in detail to the Agency.

The individual signing this bid on behalf of Vendor certifies that he or she is authorized by the Vendor to execute this bid or any documents related thereto on Vendor's behalf; that he or she is authorized to bind the Vendor in a contractual relationship; and that, to the best of his or her knowledge, the Vendor has properly registered with any State agency that may require registration.

43. **PURCHASING CARD ACCEPTANCE:** The State of West Virginia currently utilizes a Purchasing Card program, administered under contract by a banking institution, to process payment for goods and services. The Vendor must accept the State of West Virginia's Purchasing Card for payment of all orders under this Contract.

44. **VENDOR RELATIONSHIP:** The relationship of the Vendor to the State shall be that of an independent contractor and no principal-agent relationship or employer-employee relationship is contemplated or created by this Contract. The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Vendor shall be responsible for selecting, supervising, and compensating any and all individuals employed pursuant to the terms of this Solicitation and resulting contract. Neither the Vendor, nor any employees or subcontractors of the Vendor, shall be deemed to be employees of the State for any purpose whatsoever. Vendor shall be exclusively responsible for payment of employees and contractors for all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums,

contributions to insurance and pension, or other deferred compensation plans, including but not limited to, Workers' Compensation and Social Security obligations, licensing fees, *etc.* and the filing of all necessary documents, forms and returns pertinent to all of the foregoing. Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including, but not limited to, the foregoing payments, withholdings, contributions, taxes, Social Security taxes, and employer income tax returns.

- 45. INDEMNIFICATION:** The Vendor agrees to indemnify, defend, and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any subcontractor, person, or firm performing or supplying services, materials, or supplies in connection with the performance of the Contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use, or disposition of any data used under the Contract in a manner not authorized by the Contract, or by Federal or State statutes or regulations; and (3) Any failure of the Vendor, its officers, employees, or subcontractors to observe State and Federal laws including, but not limited to, labor and wage and hour laws.
- 46. PURCHASING AFFIDAVIT:** In accordance with West Virginia Code § 5A-3-10a, all Vendors are required to sign, notarize, and submit the Purchasing Affidavit stating that neither the Vendor nor a related party owe a debt to the State in excess of \$1,000. The affidavit must be submitted prior to award, but should be submitted with the Vendor's bid. A copy of the Purchasing Affidavit is included herewith.
- 47. ADDITIONAL AGENCY AND LOCAL GOVERNMENT USE:** This Contract may be utilized by and extends to other agencies, spending units, and political subdivisions of the State of West Virginia; county, municipal, and other local government bodies; and school districts ("Other Government Entities"). This Contract shall be extended to the aforementioned Other Government Entities on the same prices, terms, and conditions as those offered and agreed to in this Contract. If the Vendor does not wish to extend the prices, terms, and conditions of its bid and subsequent contract to the Other Government Entities, the Vendor must clearly indicate such refusal in its bid. A refusal to extend this Contract to the Other Government Entities shall not impact or influence the award of this Contract in any manner.
- 48. CONFLICT OF INTEREST:** Vendor, its officers or members or employees, shall not presently have or acquire any interest, direct or indirect, which would conflict with or compromise the performance of its obligations hereunder. Vendor shall periodically inquire of its officers, members and employees to ensure that a conflict of interest does not arise. Any conflict of interest discovered shall be promptly presented in detail to the Agency.
- 49. BACKGROUND CHECK:** In accordance with W. Va. Code § 15-2D-3, the Director of the Division of Protective Services may require any service provider whose employees are regularly employed on the grounds or in the buildings of the Capitol complex or who have access to sensitive or critical information to submit to a fingerprint-based state and federal background inquiry through the state repository.

Appendix 2:

Addendum 1

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: WEH13021

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:

(Check the box next to each addendum received)

- | | |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6 |
| <input type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9 |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Kelly Medical Services Corp
Company

John Hellman
Authorized Signature

7/23/12
Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.
Revised 6/8/2012



State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

Solicitation

NUMBER
WEH13021

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF
ROBERTA WAGNER 304-558-0067

RFQ COPY
TYPE NAME/ADDRESS HERE
Kelly Medical Services Corp.

HEALTH AND HUMAN RESOURCES
WELCH COMMUNITY HOSPITAL
454 MCDOWELL STREET
WELCH, WV
24801 304-436-8710

DATE PRINTED
07/20/2012

BID OPENING DATE: 07/25/2012 BID OPENING TIME 1:30PM

LINE	QUANTITY	UOP	QAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
ADDENDUM NO. 1						
1. QUESTIONS AND ANSWERS ARE ATTACHED.						
2. ADDENDUM ACKNOWLEDGEMENT IS ATTACHED. THIS DOCUMENT SHOULD BE SIGNED AND RETURNED WITH YOUR BID. FAILURE TO SIGN AND RETURN MAY RESULT IN DISQUALIFICATION OF YOUR BID.						
END OF ADDENDUM NO. 1						
0001	1	YR		948-74		
CONTRACT FOR HEALTH CARE PROVIDER SERVICES						

SIGNATURE <i>John Hellman</i>	TELEPHONE 865-985-7002	DATE 7/23/12
TITLE EVP	FEIN 55-0656334	ADDRESS CHANGED TO BE NOTED ABOVE

WHEN RESPONDING TO SOLICITATION, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

Solicitation

NUMBER
WEH13021

PAGE
2

ADDRESS CORRESPONDENCE TO ATTENTION OF
ROBERTA WAGNER
304-558-0067

VENDOR

RFQ COPY
TYPE NAME/ADDRESS HERE
Kelly Medical Services Corp.

BIDDER

HEALTH AND HUMAN RESOURCES
WELCH COMMUNITY HOSPITAL
454 MCDOWELL STREET
WELCH, WV
24801 304-436-8710

DATE PRINTED
07/20/2012

BID OPENING DATE: 07/25/2012

BID OPENING TIME 1:30PM

LINE	QUANTITY	UOP	QTY. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
***** THIS IS THE END OF RFQ WEH13021 ***** TOTAL:						<u>5,928,480⁰⁰</u>

SIGNATURE: *John Bellman* TELEPHONE: 865-985-7002 DATE: 7/23/12
 TITLE: EVP FEIN: 55-0656334 ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO SOLICITATION, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

ATTACHMENT A

Questions and answers are attached.

Addendum 1
WEH13021 Physician Services Bid Sheet

Q.1 With the cost for the Rural Health Clinics (Bid Sheet Item C.) already being provided within the Physician Salaries (Bid Sheet Item A.) and Physician Malpractice (Bid Sheet Item B.) to have a correct total for Item A and Item B, should not Item C be for information purposes only?

A.1 Please see the attached revised cost sheet.

Service Specialty Physician/Service Specialty	Physician Salaries			Physician Malpractice Insurance		Total of Annual Salary & Insurance (A + B)
	Number of Full Time Employees	Hourly Salary Rate	Total Annual Salary (A)	Monthly Malpractice Insurance	Annual Cost Malpractice Insurance (B)	
Anesthesia (CNRA)						
Anesthesia-On Call						
Emergency Room						
Emergency Room-On Call						
Family Practice						
Family Practice-On Call						
Geriatrics (Long Term Care)						
Geriatrics-On Call						
Internal Medicine						
Internal Medicine-On Call						
Pathology						
Pathology-On Call						
Pediatrics						
Pediatrics-On Call						
Physician Assistants						
Physician Assistants-On Call						
Radiology						
Radiology-On Call						
Radiology-On Call Electronic Viewing (Optional)						
Surgery						
Surgery-On Call						
Walk-In Clinic						
Walk-In Clinic-On Call						
Totals			(A) \$	\$	(B) \$	(A+B) \$

Administrative Fee for Health Care Provider Services: Vendor may have an administrative fee for providing Health Care Services	Monthly Total	Annual Total
	\$	(c) \$

Vendor Collections: Vendor will bill patient/patient insurance for physician services.	Monthly Total	Annual Total
	\$	(d) \$

Summary of Cost Proposal

Total of Annual Physician Salary
 Total of Annual Malpractice Insurance
 Total of Administrative Fees for Health Care Provider Services
 Less Total for Estimated Vendor Collections

Annual Totals	
(a)	\$
(b)	\$
(c)	\$
(d)	-\$
* Total Price for Health Care Provider Services	
	\$

Award will be made for the lowest total bid meeting specifications.

*Total maximum amount facility will pay vendor annually. This is to be a "not to exceed amount" paid to vendor.

 Vendor Name (Printed)

 Name of Authorized Representative Title

 Vendor Signature Date

 Vendor Address

 Telephone Fax E-mail

INFORMATIONAL PURPOSES ONLY

Cost Calculation of Monthly Fees for Rural Health Clinic Services (Average 1250 visits per month)	Bill Rate	X Visits =	Estimated Monthly Amount	Multiplied By	Estimated Total Cost
Estimated Monthly Rural Health Clinic	\$	1,250		X 12	
Estimated Total Annual Cost					\$

007

SIGN IN SHEET

Page 1 of 1

Request for Proposal No.

PLEASE PRINT

Date: 7-12-2012

* PLEASE BE SURE TO PRINT LEGIBLY - IF POSSIBLE, LEAVE A BUSINESS CARD

FIRM & REPRESENTATIVE NAME	MAILING ADDRESS	TELEPHONE & FAX NUMBERS
Company: <u>Kelly Medical Services Inc</u>	<u>1 Pavilion Drive</u>	PHONE <u>304-763-2888</u>
Rep: <u>T. Kelly MD</u>	<u>Durals. W.V.</u>	TOLL FREE
Email Address: <u>T Kelly MD @ col.com</u>	<u>25832</u>	FAX <u>304-763-2722</u>
Company: <u>Team Health</u>	<u>Knoxville, TN</u>	PHONE <u>304-673-4384</u>
Rep: <u>P Keith</u>	<u>Knoxville, TN</u>	TOLL FREE
Email Address: <u>Patty_Keith@teamhealth.com</u>		FAX <u>865-560-7044</u>
Company: <u>WCH</u>	<u>454 McDowell St.</u>	PHONE <u>304-436-8708x8710</u>
Rep: <u>Hazel Addair</u>	<u>Welch WV 24801</u>	TOLL FREE
Email Address: <u>Hazel.A.Addair@wv.gov</u>		FAX
Company: <u>WCH</u>	<u>454 McDowell St</u>	PHONE <u>304-436-8-85</u>
Rep: <u>Johany B. Bant</u>	<u>WCH WV 24801</u>	TOLL FREE
Email Address: <u>Johany.B.Bant@wv.gov</u>		FAX
Company: <u>Welch Community Hospital</u>	<u>454 McDowell St</u>	PHONE <u>304-436-8626</u>
Rep: <u>Heather L. Smith</u>	<u>Welch WV 24801</u>	TOLL FREE
Email Address: <u>Heather.L.Smith@wv.gov</u>		FAX

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: WEH13021

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:

(Check the box next to each addendum received)

- | | |
|---|--|
| <input type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6 |
| <input type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9 |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Company

Authorized Signature

Date

NOTE: This addendum acknowledgment should be submitted with the bid to expedite document processing.

Revised 6/8/2012

Appendix 3:

Certificate of Insurance

Appendix 4:

Certification and Signature Page

CERTIFICATION AND SIGNATURE PAGE
WEH13021

By signing below, I certify that I have reviewed this Solicitation in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this bid or proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

Kelly Medical Services Corp
(Company)

John Hellmann, EVP
(Representative Name, Title)

865-985-7002
(Contact Phone/Fax Number)

7/23/12
(Date)

John Hellmann
signature

Appendix 5:

Addendum Acknowledgement Form

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: WFH13021

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:
(Check the box next to each addendum received)

- | | |
|--|--|
| <input checked="" type="checkbox"/> Addendum No. 1 | <input type="checkbox"/> Addendum No. 6 |
| <input type="checkbox"/> Addendum No. 2 | <input type="checkbox"/> Addendum No. 7 |
| <input type="checkbox"/> Addendum No. 3 | <input type="checkbox"/> Addendum No. 8 |
| <input type="checkbox"/> Addendum No. 4 | <input type="checkbox"/> Addendum No. 9 |
| <input type="checkbox"/> Addendum No. 5 | <input type="checkbox"/> Addendum No. 10 |

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

Kelly Medical Services Corp
Company

John Hellman
Authorized Signature

7/23/12
Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.

Appendix 6:

Purchasing Affidavit

RFQ No. WEH13021

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

West Virginia Code §6A-3-10a states: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate.

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Debtor" means any individual, corporation, partnership, association, limited liability company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentally established by a county or municipality; any separate corporation or instrumentally established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

EXCEPTION: The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

Under penalty of law for false swearing (West Virginia Code §61-6-3), It is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

WITNESS THE FOLLOWING SIGNATURE

Vendor's Name: Kelly Medical Services Corp

Authorized Signature: John Hellman Date: 7/23/12

State of Tennessee

County of Knox, to-wit:

Taken, subscribed, and sworn to before me this 23 day of July, 2012

My Commission expires July 30, 2014

AFFIX SEAL HERE

NOTARY PUBLIC Kimberly Renee McGrew



Appendix 7:

Vendor Preference

Rev. 09/08

State of West Virginia
VENDOR PREFERENCE CERTIFICATE

Certification and application* is hereby made for Preference in accordance with *West Virginia Code*, §5A-3-37. (Does not apply to construction contracts). *West Virginia Code*, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the *West Virginia Code*. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

1. Application is made for 2.5% resident vendor preference for the reason checked:
 Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,
 Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,
 Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; or,
2. Application is made for 2.5% resident vendor preference for the reason checked:
 Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
3. Application is made for 2.5% resident vendor preference for the reason checked:
 Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
4. Application is made for 5% resident vendor preference for the reason checked:
 Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; or,
5. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:
 Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; or,
6. Application is made for 3.5% resident vendor preference who is a veteran for the reason checked:
 Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

Bidder understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the requirements for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty against such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency or deducted from any unpaid balance on the contract or purchase order.

By submission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and authorizes the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid the required business taxes, provided that such information does not contain the amounts of taxes paid nor any other information deemed by the Tax Commissioner to be confidential.

Under penalty of law for false swearing (*West Virginia Code*, §61-5-3), Bidder hereby certifies that this certificate is true and accurate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate changes during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.

Bidder: Kelly Medical Services Corp Signed: John Hellmann
 Date: 7/23/12 Title: EVP

*Check any combination of preference consideration(s) indicated above, which you are entitled to receive.

Appendix 8:

Agreement Addendum

WV-96
Rev. 9/11

AGREEMENT ADDENDUM

In the event of conflict between this addendum and the agreement, this addendum shall control:

1. **DISPUTES** - Any references in the agreement to arbitration or to the jurisdiction of any court are hereby deleted. Disputes arising out of the agreement shall be presented to the West Virginia Court of Claims.
2. **HOLD HARMLESS** - Any provision requiring the Agency to indemnify or hold harmless any party is hereby deleted in its entirety.
3. **GOVERNING LAW** - The agreement shall be governed by the laws of the State of West Virginia. This provision replaces any references to any other State's governing law.
4. **TAXES** - Provisions in the agreement requiring the Agency to pay taxes are deleted. As a State entity, the Agency is exempt from Federal, State, and local taxes and will not pay taxes for any Vendor including individuals, nor will the Agency file any tax returns or reports on behalf of Vendor or any other party.
5. **PAYMENT** - Any references to prepayment are deleted. Payment will be in arrears.
6. **INTEREST** - Any provision for interest or charges on late payments is deleted. The Agency has no statutory authority to pay interest or late fees.
7. **NO WAIVER** - Any language in the agreement requiring the Agency to waive any rights, claims or defenses is hereby deleted.
8. **FISCAL YEAR FUNDING** - Service performed under the agreement may be continued in succeeding fiscal years for the term of the agreement, contingent upon funds being appropriated by the Legislature or otherwise being available for this service. In the event funds are not appropriated or otherwise available for this service, the agreement shall terminate without penalty on June 30. After that date, the agreement becomes of no effect and is null and void. However, the Agency agrees to use its best efforts to have the amounts contemplated under the agreement included in its budget. Non-appropriation or non-funding shall not be considered an event of default.
9. **STATUTE OF LIMITATION** - Any clauses limiting the time in which the Agency may bring suit against the Vendor, lessor, individual, or any other party are deleted.
10. **SIMILAR SERVICES** - Any provisions limiting the Agency's right to obtain similar services or equipment in the event of default or non-funding during the term of the agreement are hereby deleted.
11. **FEES OR COSTS** - The Agency recognizes an obligation to pay attorney's fees or costs only when assessed by a court of competent jurisdiction. Any other provision is invalid and considered null and void.
12. **ASSIGNMENT** - Notwithstanding any clause to the contrary, the Agency reserves the right to assign the agreement to another State of West Virginia agency, board or commission upon thirty (30) days written notice to the Vendor and Vendor shall obtain the written consent of Agency prior to assigning the agreement.
13. **LIMITATION OF LIABILITY** - The Agency, as a State entity, cannot agree to assume the potential liability of a Vendor. Accordingly, any provision limiting the Vendor's liability for direct damages to a certain dollar amount or to the amount of the agreement is hereby deleted. Limitations on special, incidental or consequential damages are acceptable. In addition, any limitation is null and void to the extent that it precludes any action for injury to persons or for damages to personal property.
14. **RIGHT TO TERMINATE** - Agency shall have the right to terminate the agreement upon thirty (30) days written notice to Vendor. Agency agrees to pay Vendor for services rendered or goods received prior to the effective date of termination.
15. **TERMINATION CHARGES** - Any provision requiring the Agency to pay a fixed amount or liquidated damages upon termination of the agreement is hereby deleted. The Agency may only agree to reimburse a Vendor for actual costs incurred or losses sustained during the current fiscal year due to wrongful termination by the Agency prior to the end of any current agreement term.
16. **RENEWAL** - Any reference to automatic renewal is deleted. The agreement may be renewed only upon mutual written agreement of the parties.
17. **INSURANCE** - Any provision requiring the Agency to purchase insurance for Vendor's property is deleted. The State of West Virginia is insured through the Board of Risk and Insurance Management, and will provide a certificate of property insurance upon request.
18. **RIGHT TO NOTICE** - Any provision for repossession of equipment without notice is hereby deleted. However, the Agency does recognize a right of repossession with notice.
19. **ACCELERATION** - Any reference to acceleration of payments in the event of default or non-funding is hereby deleted.
20. **CONFIDENTIALITY** - Any provision regarding confidentiality of the terms and conditions of the agreement is hereby deleted. State contracts are public records under the West Virginia Freedom of Information Act.
21. **AMENDMENTS** - All amendments, modifications, alterations or changes to the agreement shall be in writing and signed by both parties. No amendment, modification, alteration or change may be made to this addendum without the express written approval of the Purchasing Division and the Attorney General.

ACCEPTED BY:

STATE OF WEST VIRGINIA

Spending Unit: _____

Signed: _____

Title: _____

Date: _____

VENDOR

Company Name: Kelly Medical Servicescop

Signed: John Hellman

Title: EVP

Date: 7/23/12

Appendix 9:

Cost Sheet

Service Specialty Physician/Service Specialty	Physician Salaries			Physician Malpractice Insurance		Total of Annual Salary & Insurance (A + B)
	Number of Full Time Employees	Hourly Salary Rate	Total Annual Salary (A)	Monthly Malpractice Insurance	Annual Cost Malpractice Insurance (B)	
Anesthesia (CNRA)	2.50	N/A	218,762	4,680	56,160	274,922
Anesthesia-On Call		N/A	218,762			218,762
Emergency Room	5.00	\$141/h r	1,235,160	29,014	348,168	1,583,328
Emergency Room-On Call			N/A			
Family Practice			N/A			
Family Practice-On Call			N/A			
Geriatrics (Long Term Care)	.25	N/A	27,243	632	7,584	34,827
Geriatrics-On Call		N/A	27,243			27,243
Internal Medicine	4.00	N/A	455,407	6,259	75,108	530,515
Internal Medicine-On Call		N/A	455,407			455,407
Pathology	1.00	N/A	145,298	3,568	42,816	188,114
Pathology Tech	1.00	N/A	65,384	Incl. with MD		65,384
Pathology-On Call			N/A			
Pediatrics	2.00	N/A	196,029	3,159	37,908	233,937
Pediatrics-On Call		N/A	196,029			196,029
Physician Assistants		Includ ed	In Walk-In	Clinic		
Physician Assistants-On Call						
Radiology	2.00	N/A	699,995	3,802	45,624	745,619
Radiology-On Call			N/A			
*Optional Radiology-On Call Electronic Viewing		N/A	-0-			
Surgery	2.0	N/A	340,540	12,284	147,408	487,948
Surgery-On Call		N/A	340,540			340,540
Walk-In Clinic	2.5	N/A	299,675	1,498	17,976	317,651
Walk-In Clinic-On Call			N/A			
Totals			A \$4,921,474	\$64,896	B \$778,752	\$5,722,226

Administrative Fee for Health Care Provider Services: Vendor may have an administrative fee for providing Health Care Services ** Billing cost has been added to this line item. **	Monthly Total \$153,282	Annual Total \$1,824,254
--	----------------------------	-----------------------------

Vendor Collections Vendor will bill patient/patient insurance for physician services	Monthly Total \$133,000	Annual Total \$1,596,000
--	----------------------------	-----------------------------

Summary of Cost Proposal

Total of Annual Physician Salary
 Total of Annual Malpractice Insurance
 Total of Administrative Fees for Health Care Provider Services
 Less Total for Estimated Vendor Collections
***Total Price for Health Care Provider Services**

Annual Totals	
(A)	\$4,921,474
(B)	\$ 778,752
(C)	\$1,824,254
(D)	-\$1,596,000
	\$5,928,480

Award will be made for the lowest total bid meeting specifications.

*Total maximum amount facility will pay vendor annually. This is to be a "not to exceed amount" paid to vendor

Kelly Medical Services Corp

Vendor Name (Printed)

John Hellman

Name of Authorized Representative

Executive
 -Senior Vice President

Title



Vendor Signature

7/23/2012

Date

One Pavilion Drive, Daniels, WV 25832

Vendor Address

(865) 985-7002

Telephone #

(865)560-7044

FAX #

John_Hellmann@teamhealth.com

E-mail

INFORMATIONAL PURPOSES ONLY

Cost Calculation of Monthly Fees for Rural Health Clinic Services (Average 1250 visits per month)	Bill Rate	X Visits =	Estimated Monthly Amount	Multiplied By	Estimated Total Cost
Estimated Monthly Rural Health Clinic	\$94	1,250	117,500	X 12	1,410,000
Estimated Total Annual Cost					\$1,410,000