



West Virginia Purchasing Division

2019 Washington Street, East
Charleston, WV 25305
Telephone: 304-558-2306
General Fax: 304-558-6026
Bid Fax: 304-558-3970

The following documentation is an electronically-submitted vendor response to an advertised solicitation from the *West Virginia Purchasing Bulletin* within the Vendor Self-Service portal at ***wvOASIS.gov***. As part of the State of West Virginia's procurement process, and to maintain the transparency of the bid-opening process, this documentation submitted online is publicly posted by the West Virginia Purchasing Division at ***WVPurchasing.gov*** with any other vendor responses to this solicitation submitted to the Purchasing Division in hard copy format.

Header

List View

General Information | Contact | Default Values | Discount | Document Information

Procurement Folder: 137714

SO Doc Code: CRFQ

Procurement Type: Central Contract - Fixed Amt

SO Dept: 0511

Vendor ID: 000000100150 

SO Doc ID: BMS1600000001

Legal Name: BERRY DUNN MCNEIL & PARKER LLC

Published Date: 11/12/15

Alias/DBA:

Close Date: 12/9/15

Total Bid: \$760,000.00

Close Time: 13:30

Response Date: 12/09/2015 

Status: Closed

Response Time: 13:14

Solicitation Description: Disproportionate Share Hospital DSH RFQ 

Total of Header Attachments: 0

Total of All Attachments: 0



Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

**State of West Virginia
 Solicitation Response**

Proc Folder : 137714
Solicitation Description : Disproportionate Share Hospital DSH RFQ
Proc Type : Central Contract - Fixed Amt

Date issued	Solicitation Closes	Solicitation No	Version
	2015-12-09 13:30:00	SR 0511 ESR12091500000002571	1

VENDOR
000000100150 BERRY DUNN MCNEIL & PARKER LLC

FOR INFORMATION CONTACT THE BUYER
 Robert Kilpatrick
 (304) 558-0067
 robert.p.kilpatrick@wv.gov

Signature X **FEIN #** **DATE**

All offers subject to all terms and conditions contained in this solicitation

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
1	Audit Services SFY13				\$190,000.00

Comm Code	Manufacturer	Specification	Model #
84111600			

Extended Description :	Audit Services
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Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
2	Audit Services SFY14				\$190,000.00

Comm Code	Manufacturer	Specification	Model #
84111600			

Extended Description :	Audit Services
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Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
3	Audit Services SFY15				\$190,000.00

Comm Code	Manufacturer	Specification	Model #
84111600			

Extended Description :	Audit Services
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Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Ln Total Or Contract Amount
4	Audit Services SFY16				\$190,000.00

Comm Code	Manufacturer	Specification	Model #
84111600			

Extended Description :	Audit Services
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ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.:

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.

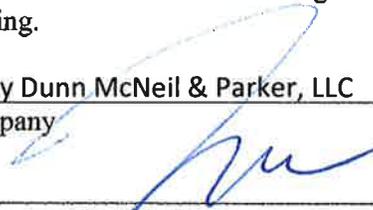
Addendum Numbers Received:

(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 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.

Berry Dunn McNeil & Parker, LLC
Company



Authorized Signature

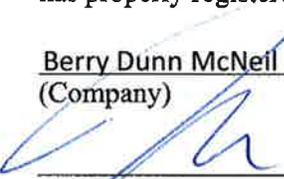
December 9, 2015
Date

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

CERTIFICATION AND SIGNATURE PAGE

By signing below, or submitting documentation through wvOASIS, I certify that I have reviewed this Solicitation in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

Berry Dunn McNeil & Parker, LLC
(Company)


Bill Brown, Principal
(Authorized Signature) (Representative Name, Title)

(207)775-2387, (207)774-2375, December 9, 2015
(Phone Number) (Fax Number) (Date)

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

MANDATE: Under W. Va. Code §5A-3-10a, 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: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

EXCEPTION: The prohibition listed above does not apply where a vendor has contested any tax administered pursuant to chapter eleven of the W. Va. 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.

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.

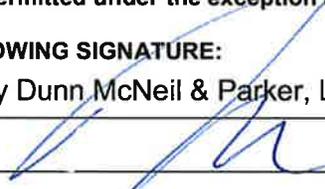
"Employer default" means having an outstanding balance or liability to the old fund or to the uninsured employers' fund or being in policy default, as defined in W. Va. Code § 23-2c-2, failure to maintain mandatory workers' compensation coverage, or failure to fully meet its obligations as a workers' compensation self-insured employer. An employer is not in employer default if it has entered into a repayment agreement with the Insurance Commissioner and remains in compliance with the obligations under the repayment agreement.

"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.

AFFIRMATION: By signing this form, the vendor's authorized signer affirms and acknowledges under penalty of law for false swearing (W. Va. Code §61-5-3) that neither vendor nor any related party owe a debt as defined above and that neither vendor nor any related party are in employer default as defined above, unless the debt or employer default is permitted under the exception above.

WITNESS THE FOLLOWING SIGNATURE:

Vendor's Name: Berry Dunn McNeil & Parker, LLC

Authorized Signature:  Date: December 9, 2015

State of Maine

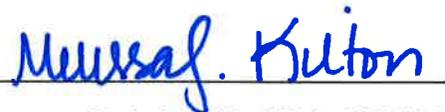
County of Cumberland, to-wit:

Taken, subscribed, and sworn to before me this 9th day of December, 2015

My Commission expires August 9, 2020.

AFFIX SEAL HERE

NOTARY PUBLIC


Purchasing Affidavit (Revised 07/01/2012)

MELISSA J. KILTON
Notary Public, Maine
My Commission Expires August 9, 2020



Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

State of West Virginia
 Request for Quotation
 34 – Service - Prof

Proc Folder: 137714

Doc Description: Disproportionate Share Hospital DSH RFQ

Proc Type: Central Contract - Fixed Amt

Date Issued	Solicitation Closes	Solicitation No	Version
2015-11-12	2015-12-09 13:30:00	CRFQ 0511 BMS1600000001	1

BID RECEIVING LOCATION

BID CLERK
 DEPARTMENT OF ADMINISTRATION
 PURCHASING DIVISION
 2019 WASHINGTON ST E
 CHARLESTON WV 25305
 US

VENDOR

Vendor Name, Address and Telephone Number:
 Berry Dunn McNeil & Parker, LLC
 100 Middle Street, Portland ME 04101
 (207)775-2387

FOR INFORMATION CONTACT THE BUYER

Robert Kilpatrick
 (304) 558-0067
 robert.p.kilpatrick@wv.gov

Signature X

FEIN # 01-0523282

DATE December 9, 2015

All offers subject to all terms and conditions contained in this solicitation

Technical Submission in Response to
Solicitation # RFP CRFQ 0511
BMS160000001

Proposal to the
West Virginia Bureau of Medical Services for

Disproportionate Share Hospital (DSH) Audit Services

Proposal Submitted by:

William Brown, CPA, CFE, MAFF, Principal
BerryDunn

100 Middle Street

Portland, ME 04101

Phone: (207) 541-2208

bbrown@berrydunn.com

Proposal Submitted on:

December 9, 2015



December 9, 2015

Mr. Robert Kilpatrick
2019 Washington Street, East
Charleston, WV 25305

Dear Mr. Kilpatrick:

Berry Dunn McNeil & Parker, LLC (BerryDunn) is pleased to submit this proposal in response to the State of West Virginia's Bureau for Medical Services (BMS) Request for Proposal (RFP) CRFQ 0511 BMS160000001 for Disproportionate Share Hospital (DSH) Audit services. We have read the RFP, we understand it, and we agree to the terms and conditions therein. From our research and experience designing and performing these audits, we understand the DSH Payment program and DSH auditing requirements.

BerryDunn is an independent management and information technology (IT) consulting and certified public accounting firm headquartered in Maine and serving clients nationally. We are a stable and well-established firm that has preserved our core values and reputation for excellence for 41 years. We have enjoyed steady growth by providing consistent, high-quality services to our clients in 48 states throughout the United States and in Canada.

Our clients benefit from a high level of principal and manager participation. We are large enough to offer a broad range of technical and specialized services, yet small enough for principals and staff to personally identify with each of our clients. Because of this approach, we can quickly gain an in-depth understanding of your organization, which allows us to not only execute an efficient audit but also serve as valuable advisors.

BerryDunn has enjoyed our relationship with the West Virginia Bureau for Medical Services. Our experience assisting the state has given us a thorough and detailed understanding of the West Virginia Medicaid reimbursement environment and prepares us well to meet your future needs for DSH auditing services.

We have accomplished many important milestones, over a period of years, providing services to the West Virginia Medicaid program, including the following related to our Electronic Health Record (EHR) Provider Incentive Program Post-Payment Audit:

- Successfully educated the provider community on our EHR Provider Incentive Program auditing processes, including our procedures for data collection, reconciliation of eligibility data and extrapolation of audit findings.
- Developed audit programs, other engagement tools (data request letters, audit work papers, and various provider notification letters), and our internal processes needed to successfully perform this project.
- Worked with BMS to identify appropriate data sources for audit verification procedures, reconcile to attestation data, and improve the extraction and analysis process.

We stress a strong presence and a high level of engagement throughout the audit process, ensuring the team and state objectives are met from our senior auditor staff. Our staff will perform the full range of project management, including audit design, identification of scope and schedule, milestone planning, requirements gathering, site visit and interview coordination, data assessments, performance monitoring, legal research, budget analysis, statistical analysis, and preparation of project deliverables, such as findings, conclusions, and recommendations. We pride our team in being able to accomplish these types of audits with negligible assistance and support from State staff.

Our proposal is a firm and irrevocable offer that is valid for 90 days from the proposal due date of December 9, 2015. As the principal of our Government Consulting Group Assurance practice area, I am authorized to bind BerryDunn to the commitments made herein.

We appreciate the opportunity to submit this proposal and look forward to working with the State of West Virginia under this contract. Should you have any questions regarding our proposal, please feel free to contact me at 207-541-2208 or bbrown@berrydunn.com.

Sincerely,



William Brown, CPA, CFE, MAFF
Principal

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1.0 Qualifications

The Vendor must be a certified public accounting (CPA) firm in the United States and provide a copy of the firm's CPA license prior to award. License may be included with the bid (RFP 3.1.1).

BerryDunn is the largest certified public accounting and consulting firm headquartered in northern New England. We have offices in Maine, Massachusetts, New Hampshire, and West Virginia, and satellite offices in Arizona and Minnesota. We have experienced sustained growth throughout our 40-year history, currently employing approximately 280 personnel.

BerryDunn provides a full range of services, including IT and management consulting, audit and accounting, and tax services, as shown in Exhibit A. Our Government Consulting Group serves state, local, and quasi-governmental entities across the country and provides independent management and technology consulting services. Our Healthcare/Not-for-Profit Group specializes in providing audit, accounting, data management, and consulting services. We understand state government operations and the state and federal regulatory requirements with which agencies must comply, as well as your dedication to providing secure, accessible services. Since BerryDunn's founding in 1974 as a regional certified public accounting firm, we have been serving the audit and accounting needs of healthcare, not-for-profit, and governmental clients in New England. The Healthcare/ Not-for-Profit Industry Group represents roughly a quarter of BerryDunn's annual revenue. We have experience with virtually all Medicaid program services areas, including hospitals, skilled nursing and senior living facilities, physician practices, managed care delivery systems, home health agencies, health information exchanges, and health information marketplaces.



Exhibit A: BerryDunn Core Service Areas

BerryDunn's experience across the spectrum of healthcare and government consulting complements our hospital, long-term care, and Yellow Book assurance expertise in a manner that is particularly valuable to DSH auditing. With perspective from both sides of the process, we understand the complexities and challenges faced by providers in both complying with regulations and demonstrating compliance. This perspective helps us to effectively communicate with providers regarding data requests and the inevitable challenges in extracting and analyzing data from multiple systems. Our vast experience in assisting government clients provides us a foundational understanding of the flow of Federal funding through state departments and agencies and the importance of program compliance to state fiscal health.

BerryDunn Professional License

We are including a valid copy of our professional license in Maine to serve as a substantially equivalent form of qualification.



1.1 Independence and GAGAS Compliance

The Vendor must meet the independence standards of governmental auditing standards as defined by the Comptroller General of the United States (RFP 3.1.2).

The Vendor's independence policy must apply the Generally Accepted Government Auditing Standards (GAGAS) Conceptual Framework Approach to Independence. Vendor must provide verification (e.g., copy of its policy) with its bid submission that its independence policy will comply with this requirement (RFP 3.1.2.1).

As certified public accountants, we adhere to rigorous quality control procedures and comply with professional standards that are set forth by the American Institute of Certified Public Accountants. BerryDunn is a CPA firm that limits its audit and consulting services to governmental entities to ensure independence and avoidance of conflict of interest. Some of these elements within our policies include:

- Annual written representations of independence from all personnel who perform client services
- Extensive client and engagement acceptance and continuance policies
- Maintenance of firm-wide client list
- Independence training for all professionals

For a copy of our independence policy, please see Appendix A. Additionally, we provide our clients assurance and consulting services in a systematic and disciplined manner to ensure that our services meet the requirements of AICPA, the U.S. Securities and Exchange Commission (SEC), Public Company Accounting Oversight Board (PCAOB), state licensing agencies, and Generally Accepted Government Auditing Standards (GAGAS). We maintain these standards

requiring our professional staff to complete a minimum of 40 hours of continuing education annually as required by the GAGAS standards.

1.2 BerryDunn Independence from BMS and Hospitals

The Vendor must be independent from the Medicaid Agency and the hospitals they are to audit (RFP 3.1.3).

The Vendor must meet the independence standards referenced in 3.1.2 of this RFQ and attest that their firm is independent from the WV DSH program and the hospitals listed in Exhibit 2. The attestation must be included with bid submission (RFP 3.1.3.1).

To ensure independence and objectivity, we adhere to the rigorous standards set forth by the AICPA and defined by the Comptroller General of the United States. BerryDunn is independent of the Medicaid agency and the hospitals listed in Exhibit 2. BerryDunn has detailed measures in place to ensure compliance with our independence requirements and avoid conflicts of interest.

1.3 DSH Audit Experience

The Vendor must be the primary audit firm (i.e., the primary audit firm not subcontracted) and demonstrated a minimum of three years' experience working with other Federal DSH engagements (RFP 3.1.4).

The DSH audit services requested will be provided by our Government Consulting Group and our Healthcare/Not-for-Profit Group. Our Healthcare/Not-for-Profit staff have garnered experience from designing and performing the Maine DSH audits, as well as the consulting services we perform for our client hospitals in the State of New Hampshire to analyze the data, review calculations, and assess reasonableness of the data collected for the State of New Hampshire DSH audits. Our extensive history providing financial and audit services for not-for-profit healthcare and governmental entities gives us the experience and familiarity with the federal regulations and the data sources, which will allow our team to provide effective assistance from Day 1.

BerryDunn has the track record, experience, and resources and is committed to efficiently performing this audit within the time period requested. Since 2005, we have worked with the Maine Department of Health and Human Services to complete the DSH audit reports for state plan years 2005 through 2011 and provided recommendations to improve DSH program procedures. DSH program costs total approximately \$28 million annually and entail audits of the State of Maine–owned institutes of mental disease.

In addition to our DSH Audit in Maine, we provide our hospital clients in the State of New Hampshire with DSH audit consulting services. In New Hampshire, there has been a disconnect between the federal DSH audit and State of New Hampshire payment methodologies. The results of the 2011 audits were largely unfavorable to hospitals in New Hampshire. As a result, we have been engaged extensively to assist in review of the DSH program data and calculations for accuracy on behalf of our hospital clients and in cooperation with the State's hospital association. We have included references to validate our experience in Appendix B.

Claims, Cost Reports, and Rate Calculations Experience

Aside from our DSH audit and consulting experience, we currently prepare or review cost reports for approximately 25 hospitals on an annual basis. Many cost reports are also prepared for purposes of interim estimates. In addition to hospital cost reports, we prepare numerous cost reports for the other healthcare segments we serve. Our reimbursement consultants are intimately knowledgeable of Medicare and Medicaid regulations and payment mechanisms affecting the wide array of providers we serve. We frequently review rate calculations for our provider clients. Additionally, a key management member of our Healthcare/Not-for-Profit Group and the audit manager proposed for this project is a certified coder. BerryDunn has extensive experience in hospital cost reporting, both federal and state. We have a team of reimbursement consultants who are knowledgeable in all aspects of both Medicare and Medicaid reimbursement that impact our healthcare provider clients. Our reimbursement specialists are also responsible for training our audit staff who specialize in healthcare to enhance their basic healthcare knowledge with an understanding of auditing third-party payer estimated settlements and preparation of Medicare and Medicaid cost reports. We currently prepare or review cost reports for approximately 25 hospitals on an annual basis, as well as many cost reports for interim estimates. In addition, we prepare numerous cost reports for the other healthcare segments we serve.

EHR Provider Audits

BerryDunn is also engaged to perform the post-payment audits of the State of West Virginia's Medicaid Electronic Health Record incentive program. This engagement includes audits of Eligible Hospitals (EHs) as well as Eligible Professionals (EPs) receiving payments under the incentive program. The audits of EHs include verification of compliance with the Acquire/Implement/Upgrade criteria, eligibility requirements and proper calculation of payments. The EP procedures encompass all of the aforementioned verification, plus testing of compliance with Meaningful Use requirements. In addition to the auditing procedures, BerryDunn has assisted with the development of the Audit Strategy and provided support for provider outreach. We have worked extensively with the Department of Health and Human Resources to identify the appropriate sources for verification of data included in provider attestations, including identification and elevation of issues related to the reconciliation of encounter and claims data from cost reports, the MMIS, and the State's data warehouse.

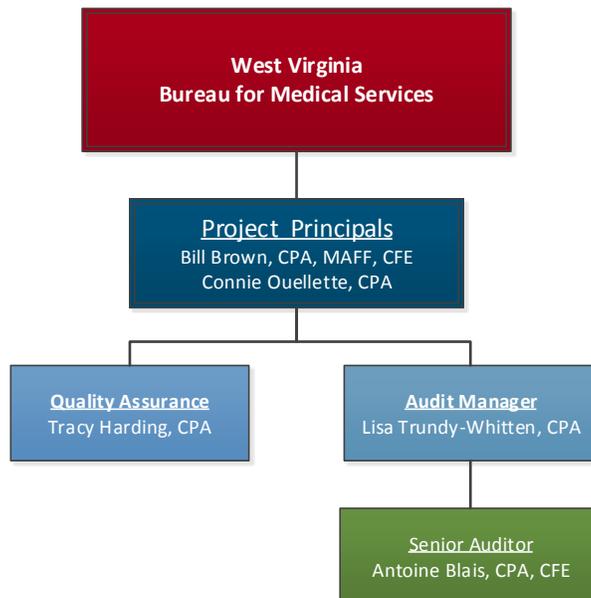
BerryDunn retains seasoned auditors who have decades of experience with performing engagements of similar nature and scope to the West Virginia DSH audit. We provide audit and consulting services to 38 hospitals in Maine, New Hampshire, and Vermont and have a

dominant presence throughout the Northeast. As a firm, we are accustomed to assisting our clients in defending reimbursement rates from challenges, program integrity development, and reviews, and performing data management and analysis services. The key staff proposed for this DSH audit have the proper credentials and we have included copies of their certification in **Appendix C**. Our auditors have extensive knowledge and hands-on experience performing audits, preparing cost reports, interpreting payment regulations, and providing a wide array of financial and analytical services.

1.4 Staffing Structure, Experience, and Training

The Vendor must submit an organizational chart and accompanying resumes (limited to two pages) for each individual assigned to the engagement. Vendor’s supervisory staff must possess a minimum of three years’ experience working with other Federal DSH audit engagements. Documentation to meet this requirement should be included with the bid, but must be provided prior to award (RFP 3.2).

Our proposed engagement management team has decades of audit experience, including more than 10 years of collective DSH experience. We are utilizing the same team we use in our current Maine DSH engagement, along with several other highly qualified staff who have claims and cost reporting experience. We have designated project principals who have overall responsibility for the engagement, deal with all contract issues, and guarantee top quality service. You will be supplied with all methods of contact information, so that you may contact them at any time. We believe this approach will give each requirement of the contract the high level of attention it deserves. The following table highlights the roles of each key staff member.



To ensure that BMS' objectives are met, we are proposing a team of senior level staff with direct, hands-on experience with similar projects for other state agencies. Connie Ouellette has successfully led each of Maine' DSH audits and has the ability to assign additional firm resources to ensure the successful completion of the audit. Lisa Trundy-Whitten will serve as the audit manager. She also has hands-on DSH experience and will be the primary point of contact for the duration of the project. Lisa will communicate regularly with BMS and also participate in regularly scheduled status meetings.

Our policy is to properly plan, perform, supervise, review, document, and communicate all engagements in accordance with professional standards, regulatory authorities, and project requirements. You will be supplied with all methods of contact information, so that you may contact them at any time. In addition, we have designated an audit manager who will service the engagement on a day-to-day basis. The audit manager will also be available to the Department at all times. We believe this approach will give each requirement of the contract the high level of attention it deserves. The following table highlights the roles of each key staff member.

Role Name	Role Description
William Brown, CPA, CFE, MAFF Connie Ouellette, CPA <i>Project Principal</i>	<ul style="list-style-type: none"> Maintain overall responsibility for the quality of BerryDunn's services and deliverables Ensure the full commitment of our firm to this engagement Provide oversight of our team Establish client service approach
Lisa Trundy-Whitten, CPA <i>Audit Manager</i>	<ul style="list-style-type: none"> Develop and design audit approach Serve as primary point of contact with the State Manage flow of audits through required process Provide quality assurance reviews on audit and attestation working papers and reports Schedule audits and assign staff First-level work-paper and report review Coordinate status and issue resolution meetings
Antoine Blais, CPA, CFE <i>Supervisor</i>	<ul style="list-style-type: none"> Lead and conduct assessment activities and technical analysis Identify risks and develop risk mitigation strategies Develop project deliverables Provide appropriate level of daily supervision of staff Support on-site meetings, fact-finding activities, and presentations
Tracy Harding, CPA <i>Governmental Audit Quality Assurance</i>	<ul style="list-style-type: none"> Assure that the reporting is in compliance with general accepted government auditing standards.

Staff Education and Training

BerryDunn staffs each project to exceed our clients' expectations, including meeting all required deadlines. As we demonstrate below, our staffing will allow us to seamlessly continue this contract. We pride ourselves in performing high-quality, efficient examinations staffed by high-level audit staff with the appropriate degree of expertise. Below we have outlined the proposed engagement program and level of staffing.

Audit Program Section	Staff Level					
	Project Principal	Audit Manager	Project Manager	Supervisor	Senior Accountant	Accountant
State Procedures						
General Planning			✓			
Statewide Planning		✓	✓			
Statewide Review			✓	✓		
Statewide Wrap-Up			✓			
Reporting Procedures	✓		✓	✓		
Hospital Procedures						
	Project Principal	Audit Manager	Project Manager	Supervisor	Senior Accountant	Accountant
General Procedures					✓	✓
Preliminary DSH Survey Review		✓	✓	✓	✓	✓
Cost Report Review					✓	✓
Medicaid Review					✓	✓
Uninsured Review					✓	✓
Uninsured Payment Review					✓	✓
Charity Care and Subsidies Review					✓	✓
Project Wrap-up and Close-out	✓	✓	✓	✓		

Although we are pleased to have the depth and the breadth to provide principal and staff rotation when our clients request it, we make every attempt possible to assign our experienced professionals to a particular client on a long-term basis. This model allows us to truly understand our clients' operations.

BerryDunn has always made a commitment to the retention of our experience staff a top priority. As a result of that focus, our turnover is significantly below industry benchmarks. Over the past five years, staff turnover has remained less than 10%. Principal, manager, and senior level professionals at BerryDunn have experienced a far lower turnover rate of 3%, well below industry average. Continuity increases efficiency and minimizes the time required of your personnel to introduce a new member of the engagement team to your operations. This, coupled with our high degree of principal and manager involvement, ensures that, should there be staff turnover on engagements, it does not impact the level of service that clients receive from BerryDunn. Our in-depth knowledge at the manager and principal level will allow us to minimize the impact on your personnel.

As mentioned previously, our accountants and consultants are required to obtain extensive continuing professional education (CPE) and will apply their knowledge base from their hands-on experience working with state governments, Medicaid and Medicare regulations and policies, as well as DSH program rules. Many of the issues typically encountered during a Medicaid audit are not taught in a classroom, nor are they discussed in periodicals; it takes hands-on exposure to the healthcare reimbursement field to provide the depth of understanding necessary to arrive at supportable conclusions. We leverage this unique knowledge base at BerryDunn, providing staff with internal development and training by our most senior staff. Additionally, the firm provides staff with resource libraries issued by the American Institute of Certified Public Accountants (AICPA) and MediRegs®, a Wolters Kluwer product.

At BerryDunn, we are committed to hiring top-quality staff. To ensure our staff members are well versed in the unique reporting requirements of governmental and healthcare entities, we hold annual training sessions, which specifically focus on new Medicare and Medicaid regulations, reimbursement drivers, and emerging issues for regulators and providers. We also attend national conferences to stay current with trends and issues, including:

- National Association for Medicaid Program Integrity
- National Association of Medicaid Directors
- Medicaid Enterprise Systems Conference
- National Association for State Auditors, Comptrollers, and Treasurers Conference
- Healthcare Financial Management Association

We offer staff consultants guidance from supervisor(s), senior consultant, or principal in charge of an engagement or project working with clients from small to mid-sized industries in healthcare, not-for-profit, and financial services, manufacturing, telecommunications, utilities, construction, forest products, higher education, and others. Work performed will be closely

supervised through coaching and training. With guidance from staff members of the firm and of the general industry group, staff auditors will become familiar with the firm's systems, operations, and relationships.

At the onset, auditors will receive extensive internal and external training, including teamwork, technical, and soft skills. After gaining appropriate experience, staff auditors see increased client contact, more complex technical challenges, beginning supervisory responsibilities, and a movement towards specialization. As opportunities are explored and experience is gained, auditors are expected to consult with the manager or principal on problems and offer recommended solutions.

Key Personnel Resumes

We have included descriptions of their experience and areas of expertise in the following section. In addition, we have included the continuing professional education (CPE) relevant to GAGAS for the past three years for each staff named on this project. Our team is highly qualified, with decades of hands-on experience auditing government agencies. No one on our audit team has been the subject of any disciplinary action or inquiry in any jurisdiction.

William Brown, CPA, MAFF, CFE—Project Principal



Bill will have overall engagement responsibility, including ensuring client satisfaction with the process, results, and staffing. He has been providing audit, accounting, and consulting services since joining the firm in July 1988.

Bill is a principal in BerryDunn's Government Consulting Group and leads our Government Assurance practice area, which provides IT security and financial compliance/risk management services. Bill conducts security and security risk assessments, controls reviews, financial analyses, and payment audits for government agencies. He also has an extensive background in financial statement audits, litigation consulting, forensic accounting, and regulatory finance.

Bill serves clients in the public sectors, including engagements with state agencies that rely on his expertise to help achieve compliance with federal guidelines and regulations. Bill has been an active participant in the development of the protocols that have been developed for West Virginia's electronic health record provider incentive payment program.

RELEVANT PROJECT EXPERIENCE**West Virginia Bureau for Medical Services.**

- Bill led the development of the Provider Incentive Payment program section of West Virginia's State Health Information Technology Plan (SMHP), which details how providers will receive incentive payments for adopting electronic health records and demonstrating meaningful use of health IT data, and how the State will undertake audit activities associated with the Provider Incentive Payment program.
- *EHR Provider Incentive Payment (PIP) Program Audit.* Bill is currently leading the post-payment audit of providers participating in the program. BerryDunn's engagement with the Bureau for Medical Services conducted the State's EHR Provider Incentive Payment Program Audit for payment years 1–3 and is in the process of performing year 4, which entails auditing the attested information reported by eligible hospitals and providers regarding their use of the EHRs

Missouri Department of Social Services, Family Services Division. Bill led BerryDunn's engagement to conduct the Independent Security Assessment of the Missouri Eligibility Determination and Enrollment System (MEDES), which is required for Missouri's continued Authority to Connect status with the Federal Data Services Hub. This assessment required identification and assessment of security risks related to the development and operation of the MEDES functions and to the confidentiality, privacy, integrity, and availability of critical, personally identifiable data in the context of best practices and the requirements of CMS' catalog of Minimum Acceptable Risk Controls for Exchanges and other state and federal privacy and security laws. This project also included the development of an action plan to mitigate the risks identified during the assessment.

Missouri Department of Social Services, MO HealthNet Division. As project principal, Bill led BerryDunn's team in conducting a security risk assessment of Missouri's MMIS, based on the IRS Safeguard Program SCSEM's nationally recognized standards and regulatory requirements, including NIST SP 800 series, and HIPAA. As part of the assessment, BerryDunn's team developed an action plan to help MHD, ITSD, and the vendor to address known risks; identify opportunities to strengthen the application development methodology for ongoing maintenance and development of the MMIS; and establish a framework for the State to conduct routine security assessments of data and information systems going forward, including training conducted for information security staff.

University of Massachusetts Medical School/Massachusetts Executive Office of Health and Human Services. BerryDunn is providing Independent Verification and Validation (IV&V) for Massachusetts' Health Benefit Exchange and Integrated Eligibility System (HIX/IES) implementation. As part of our work, we conducted a system audit of the HIX/IES. The system audit required the identification and harmonization of control requirements from over 35 sources, including federal and state laws, regulations, and standards. The audit involved reviewing the design and testing implementation, and operating across five entities. Bill is also leading our financial analysis, monthly financial status reporting, and cost allocation planning services for this contract.

MNsure (07/2015 – Present). BerryDunn is performing the programmatic audit for the State's health insurance exchange. In collaboration with the client, Bill developed staggered methodology for measuring program compliance, which has been approved by CCIO/CMS, decreasing risk to CMS and improving operational stability and efficiency.

HealthSource RI (03/2015 – Present). Bill leads the financial and programmatic audit for the State's health insurance exchange (HIX) and ensures that the audit is occurring within GAAP and Yellow Book standards. Bill works in close collaboration with clients to navigate federal requirements associated with 45 CFR 155. Under Bill's leadership, the audit was completed in an accelerated timetable. This led to BerryDunn being chosen to lead the 2016 audit.

EDUCATION AND CERTIFICATIONS

Bachelor of Science in Accounting, University of Southern Maine

Certified Public Accountant

Master Analyst in Financial Forensics

Certified Fraud Examiner

YELLOW BOOK CONTINUING PROFESSIONAL EDUCATION CREDITS (2014-2015-)

Date	Activity	Sponsor	Credit hours
11/26/2013	Scheduling: Just Do It	Berry, Dunn, McNeil & Parker	1
1/10/2014	Managing the Deliverable Review Process	Berry, Dunn, McNeil & Parker	1
1/20/2014	Annual Government Training Day	Berry, Dunn, McNeil & Parker	7
2/28/2014	Leveraging the Firm's Valuation	Berry, Dunn, McNeil & Parker	1
6/9/2014	Audit and Accounting Update	Berry, Dunn, McNeil & Parker	8
8/21/2014	NASACT Annual Conference	NASACT	4
8/19-8/21	MESC Conference	NESCO	6.5
8/31/2014	Managing Risk in the New IT World	AICPA	9.5
9/01/2014	Ethical Issues for Fraud Examiners	ACFE	2
10/02/2014	Understanding the Language of Security Testing	Berry, Dunn, McNeil & Parker	1
1/19/2015	Annual Training Day	Berry, Dunn, McNeil & Parker	6.5
1/23/2015	Contracting- Risk Management and Compliance	Berry, Dunn, McNeil & Parker	1
1/30/2015	Project Close Out Process: What Should Occur and Why?	Berry, Dunn, McNeil & Parker	1
2/19/2015	Sharing Internal Project Management Processes	Berry, Dunn, McNeil & Parker	1
3/31/2015	RI Health Benefits Exchange Training	Berry, Dunn, McNeil & Parker	4
6/8/2015	2015 Audit and Accounting Update	Berry, Dunn, McNeil & Parker	8
7/31/2015	Professional Ethics	Berry, Dunn, McNeil & Parker	.5
8/25/2015	NASACT Annual Conference	NASACT	5.5
9/30/2015	Fighting Fraud in Government	Association of Certified Fraud Examiners	20

Connie Ouellette, CPA, FHFMA—Project Principal



Connie will assist Bill with the overall engagement responsibility and ensuring client satisfaction. She has been providing audit, accounting, and consulting services since joining the firm in August 1991.

Connie is a principal in the Healthcare/Not-for-Profit Group and leads the hospital and consulting practice. She specializes in finance and third-party reimbursement and provides consulting services to numerous healthcare providers, including acute care and critical access hospital providers, physician group practices, rural health clinics, federally qualified health centers, and home health agencies. Connie has performed various cost reports for many hospitals and their affiliates on the care continuum throughout Maine and the rest of New England. She is an active member of the Healthcare Financial Management Association (HFMA), serving as a past president and Board member of the New Hampshire–Vermont Chapter and is an incoming officer at the regional level.

RELEVANT PROJECT EXPERIENCE

State of Maine DSH Audits. Connie has served as the principal of this engagement since 2005 and is responsible for oversight of the audits and report issuance. She performed the initial DSH audits and assisted the Maine Department of Health and Human Services in developing an appropriate methodology and understanding the DSH regulations and amendments.

State of New Hampshire DSH Audit Consulting. Connie has served as the point person to the New Hampshire Hospital Association in assisting with the FY2011 DSH audit results and impact on the hospitals. As previously mentioned, changes in the State of New Hampshire's 2011 DSH payment mechanism caused the majority of New Hampshire hospitals to be overpaid for the year. This came to light as part of the 2011 audits and, in conjunction with the New Hampshire Hospital Association and State, Connie and her reimbursement team assisted hospital clients in verifying the data provided and calculations performed by the State's DSH auditors. This work continues, given the complexity of the program.

Medicare and Medicaid Cost Reporting. As the lead of the hospital and consulting group, Connie is responsible for oversight of the filing and review of hospital cost reports and training of staff. She also provides assistance as part of Medicare and Medicaid cost report audits and necessary appeals or refilings.

EDUCATION AND CERTIFICATIONS

Bachelor of Science in Accounting, University of Southern Maine

Certified Public Accountant

Fellow of the Healthcare Financial Management Association (FHFMA)

YELLOWBOOK CONTINUING PROFESSIONAL EDUCATION CREDITS (2014–2015)

Date	Activity	Sponsor	Credit hours
10/1/2013	NH–VT Legislative Update	NH–VT HFMA	1.5
10/4/2013	Healthcare Annual A&A Update	Berry Dunn McNeil & Parker	6.5
2/14/2014	2014 Small or Rural Hospital Conference	MHA	6
03/26/2014	Adventures in Healthcare—Thriving in a Time of Reform	NH–VT HFMA	6.5
03/28/2014	NH–VT Legislative Update	NH–VT HFMA	1.5
4/01/2014	CMS Transmittal 5 for the 2552-10	Health Financial Systems	1
5/15/2014	HFMA Region 1 13 th Annual Healthcare Conference	HFMA	6.5
06/05/2014	Lean Revenue Cycles Training	Maine Chapter HFMA	7.5
8/27/2014	Great Transition from Fee for Service to Value-Based Payment	NH–VT HFMA	1
10/09/2014	Maine Care Update	Maine Chapter HFMA	6.5
10/16/2014	Senior School	Berry Dunn McNeil & Parker	7.5
1/29/2015	A Status Report-ACOs in NH and VT	NH–VT HFMA	6
3/12/2015	Leading the Change—Thriving in Shifting Healthcare Environment	Berry Dunn McNeil & Parker	3.5
5/11/2015	Annual Not-for-Profit Seminar	Berry Dunn McNeil & Parker	6
5/18/2015	Not-for-Profit Higher Education	Berry Dunn McNeil & Parker	7
5/21/2015	HFMA Region 1 14 th Annual Healthcare Conference	Healthcare Financial Management Association	12
5/26/2015	Professional Ethics: AICPA's Comprehensive Course	AICPA	9
7/15/2015	19 th Annual 340B Coalition Conference	The 340B	16.5
7/23/2015	A&A Update	Berry Dunn McNeil & Parker	8
9/01/2015	2015 Hospital Executive Roundtable	Berry Dunn McNeil & Parker	4

9/03/2015	Healthcare Reimbursement in Transition Conference	NH-VT HFMA	6.5
9/11/2015	Maine Chapter HFMA 2015 Annual	ME HFMA	6
9/28/2015	Healthcare Annual Update and Training	Berry Dunn McNeil & Parker	6.5

Lisa Trundy-Whitten, CPA FMFMA, CPC-A—Project Lead



Lisa will be the audit manager primarily responsible for developing and designing the audit approach. Lisa is a senior manager in the Healthcare Group and has concentrated on serving the health industry, particularly acute care hospitals, since 2003. Lisa provides audit and consulting services to a number of hospitals and affiliates in their continuum of care in New England. Lisa has a wealth of experience pertaining to reporting and operations including federal and state regulations and policies regarding Medicaid program audits.

RELEVANT PROJECT EXPERIENCE

State of Maine DSH Audits. Lisa has served as staff and subsequently audit manager of this engagement since 2007. She is responsible for developing the audit approach, managing the audit process and project deliverables. Lisa has been involved in many different aspects of this audit, from determining acceptable risk levels to collecting all the necessary documentation to support claimed expenditures to performing the initial testing procedures. In addition, Lisa has provided a deep level of insight and analysis in the examination report.

West Virginia Bureau of Medical Services ICD-10 Implementation. Lisa supported the medical coding work associated with the implementation. During the implementation Lisa served as member of the code mapping team, helping to ensure the timely completion of mapping, which was critical with downstream dependencies. Lisa now serves as a subject matter expert on the policy workgroup working on policy intent verification and the coding validation process.

Eastern Maine HealthCare Systems. Lisa serves as audit manager for the financials statement audit for Eastern Maine Health Care Systems (EMHS). Lisa is responsible for the overall management of the audit process including planning, risk assessment, developing audit strategy and plan, gathering and testing audit evidence, and finalization of audit.

Medicare and Medicaid Cost Reporting. Lisa has been preparing and reviewing Medicare and Medicaid cost reports for clients since 2004. She has developed a preparation methodology that helps to ensure that all the necessary data is submitted and completed accurately. In addition to preparation, Lisa has provided consulting services such as cost report budgeting and modeling. Lisa serves as a speaker for the Maine chapter of HealthCare Financial Management Association on a variety of cost reporting and healthcare reimbursement issues.

EDUCATION AND CERTIFICATIONS

Master of Science in Accounting, University of Southern Maine

Certified Public Accountant

Fellow Healthcare Financial Management Association

Certified Professional Coder

YELLOWBOOK CONTINUING PROFESSIONAL EDUCATION CREDITS (2014–2015)

Date	Activity	Sponsor	Credit hours
3/2014	Anatomy and Physiology—Ear, V2	HCPPro Inc.	2
3/2014	Anatomy and Physiology— Musculoskeletal System	HCPPro Inc.	2
3/2014	Anatomy and Physiology— Respiratory System	HCPPro Inc.	1.5
3/2014	Anatomy and Physiology—Eye	HCPPro Inc.	3
3/2014	Anatomy and Physiology, Terminology	HCPPro Inc.	2
3/2014	Anatomy and Physiology— Pregnancy and Perinatal	HCPPro Inc.	3
3/2014	Anatomy and Physiology—Digestive System	HCPPro Inc.	2
3/2014	Anatomy and Physiology— Symptoms, Signs, Abnormal Lab	HCPPro Inc.	1
3/2014	Anatomy and Physiology— Endocrinology	HCPPro Inc.	1
3/2014	Anatomy and Physiology—Blood, Blood Forming Organs	HCPPro Inc.	1.5
3/2014	Anatomy and Physiology— Genitourinary System	HCPPro Inc.	1.5
3/2014	Anatomy and Physiology—Nervous System	HCPPro Inc.	1
3/2014	Anatomy and Physiology—Infectious Disease	HCPPro Inc.	2
3/2014	Anatomy and Physiology— Neoplasms	HCPPro Inc.	1.5
4/2014	Hospital Executive Roundtable	BerryDunn	3.5
5/2014	HFMA Annual Conference	Maine Chapter HFMA	6.5
6/2014	Lean Revenue Cycle Training	Maine Chapter HFMA	6.0
10/2014	Healthcare Annual Audit and Accounting Update	BerryDunn	9.5

10/2014	NH-VT Legislative Update	NH-VT HFMA	1.5
2/2015	2014 Small or Rural Hospital Conference	MHA	4.5
5/2015	Annual Not-for-Profit Training	Berry Dunn McNeil & Parker	6
6/2015	Staff Level II Training	Berry Dunn McNeil & Parker	10.5
7/2015	A&A Update	Berry Dunn McNeil & Parker	8
9/2015	Healthcare Annual Update and Training	Berry Dunn McNeil & Parker	6.5
9/2015	Maine Chapter HFMA 2015 Annual	ME HFMA	6
9/2015	2015 Hospital Executive Roundtable	Berry Dunn McNeil & Parker	4

Antoine Blais, CPA, CFE—Supervisor



Antoine is a senior accountant who provides audit, accounting, and consulting services for a range of utility, energy, and commercial clients. As an auditor with 14 years of experience, he has worked with a wide range of clients and industries, which has not only deepened his experience in audit, but in financial reporting as well. His expertise includes internal controls assessments, financial statement preparation and analysis, financial forecasts and projections, and jurisdictional cost studies and revenue settlements. Antoine is a certified fraud examiner (CFE) and a certified public accountant. As a CFE, Antoine also brings unique insight to projects in the areas of internal control and business risk for government entities.

RELEVANT PROJECT EXPERIENCE

West Virginia Bureau for Medical Services (BMS). BerryDunn has been engaged to assist the state of West Virginia perform post-payment audit of the Medicaid Electronic Health Record (EHR) Provider Incentive Payments (PIP) program for payment years 2011–2013. These audit are being performed over the period of July 2014 to June 2015, at which time these audits are expected to be completed. Antoine has developed core competencies, allowing him to take on a growing level of responsibility since the beginning of the project. He began as the audit lead and is now performing financial statement audits and consulting on best practices as a subject matter expert on EHR PIP program audits.

Antoine offers clients a variety of services, including:

- Revenue recognition
- Business planning and budgeting
- Business process improvement and internal control reviews
- Due diligence for mergers and acquisitions
- Data extraction and analysis
- Information technology security assessment
- Employee Benefit audits

EDUCATION AND CERTIFICATIONS

Thomas College, Bachelor of Science in Accounting, summa cum laude

Certified Public Accountant

Certified Fraud Examiner American Institute of Certified Public Accountants

Maine Society of Certified Public Accountants

Association of Certified Fraud Examiners

YELLOWBOOK CONTINUING PROFESSIONAL EDUCATION CREDITS (2014–2015)

Date	Activity	Sponsor	Credit hours
5/2014	Ethic Symposium: Integrity and Leadership	MacPage	2
5/2014	Employee Benefit Training	Berry, Dunn McNeil & Parker	7.5
5/2014	Not-for-Profit and Higher Education Training	Berry, Dunn McNeil & Parker	3
6/2014	Audit and Accounting Update	BerryDunn	8
8/2014	Investigating by Computer	ACFE	20.0
12/05/2014	Commercial Industry Group Training	BerryDunn	9
6/08/2015	2015 Audit and Accounting Update	BerryDunn	8
7/2015	Update and Refresher: Professional Ethics	AICPA	2.5
8/14/2015	How to Detect and Prevent Financial Statement Fraud	ACFE	20

Tracy Harding, CPA—Quality Assurance



Tracy joined BerryDunn in 1984. Since then, he has become a known expert as an independent concurring partner reviewer on many audits for both public and nonpublic companies. He has served on the committee that drafted the State of Maine's Uniform Accounting and Auditing Practices for Community Agencies (MAAP III) regulations. He currently serves as the chair of the Maine Board of Accountancy, which regulates licensing for all CPAs in the State.

RELEVANT PROJECT EXPERIENCE

Tracy is the principal-in-charge of the firm's Bangor Office. He is the Bangor office coordinator for the firm's Financial Services Group and the director of quality assurance. Tracy also coordinates BerryDunn's audit and accounting technical resources.

Tracy helps clients with a variety of issues, including:

- Audits of financial institutions, commercial entities, and not-for-profits
- Organizations and employee benefit plans
- SEC and other regulatory filings
- Assistance with complex accounting issues

EDUCATION AND CERTIFICATIONS

University of Maine

Regulatory Response Committee of the National Association of State Boards of Accountancy

American Institute of Certified Public Accountants

AICPA Risk Assessment Audit Guide Task Force

Maine Society of CPAs

Institute of Management Accountants, Bangor-Waterville, past president

Maine Board of Accountancy, Chair

YELLOWBOOK CONTINUING PROFESSIONAL EDUCATION CREDITS (2014-2015)

Date	Activity	Sponsor	Credit hours
4/2014	Ethics Potpourri (Presenter)	Institute of Management Accounts	6.0
4/2014	Ethic Potpourri	Institute of Management Accounts	2.0
6/2014	Accounting and Audit Update	BerryDunn	5.5
7/2014	NAAATS Conference	AICPA	12.5
7/2014	Form on Auditing in the Small Business Environment	PCAOB	7
9/2014	Business Tax Accounting Seminar: Practical examples and Genuinely Useful Advice	BerryDunn	5.5
9/2014	Financial Statement and Client Communication Efficiencies	BerryDunn	4.5
10/2014	2014 Financial Services Group Training	BerryDunn	3
3/2015	RI Health Benefits Exchange Training 2015	BerryDunn	6
5/2015	Employee Benefit Training	BerryDunn	6
5/2015	Directors' Forum	Maine Bankers Association	3
6/2015	Maine Society of CPAs Annual Meeting	Maine Society of CPAs	1
6/2015	2015 Audit and Accounting Update	BerryDunn	12
6/2015	The Risk Assessment Process Using BerryDunn Forms	BerryDunn	3
6/2015	Finance and Accounting Forum	Financial Manager's Society	17
7/2015	National Advanced A&A	AIPCA	17.5

2.0 Mandatory Requirements

Contract Services must meet or exceed the mandatory requirement listed below:
(RFP 4.1)

BerryDunn has reviewed the mandatory requirements as described in the RFQ and copied below. We are confident that we will not only meet the minimum requirements, but exceed expectations. In the following section, we offer our commitment to the Bureau's requests.

2.1 DSH Audit Compliance

Vendor must provide an Audit program that will ensure compliance with 42 U.S.C Section 1923(j)(2) in Attachment 2. The Bureau will approve the contents of the audit program. For the initial engagement (audit of the period ended June 30, 2013, - see 4.1.1.2 below), the audit program must be submitted to the Bureau for approval a minimum of 30 calendar days prior to beginning fieldwork. For Optional Renewal Periods the audit program must be submitted 30 calendar days prior to fieldwork. The engagement will include the performance of all audit procedures that the firm deems necessary for it to render an opinion and audit report as specified in this RFQ. (RFQ 4.1.1)

Compliance with the requirements contained in 42 CFR Parts 447 and 455 Centers for Medicare and Medicaid Services (CMS) guidance listed in Attachment 3, 4, and 5 (RFQ 4.1.1.1)

We will utilize an examination program designed to meet the DSH audit requirements and to ensure compliance with 42 U.S.C Section 1923(j)(2). We will submit our audit program to the Bureau for consideration a minimum of 30 calendar days prior to the beginning of fieldwork during both the initial and optional renewal periods. The primary objective will be to conduct an examination of the Disproportionate Share Hospital (DSH) limit calculations for all West Virginia hospitals receiving DSH payments. The West Virginia Bureau of Medical Services is responsible for preparing the calculations. Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States. Our procedures will include examining, on a test basis, evidence supporting the calculation and performing such other procedures as we consider necessary.

At the completion of our examination procedures, we will issue an Independent Accountant's Report with an opinion on the calculation of the DSH limit and payments in accordance with the

Social Security Act (SSA or Act), as well as an opinion of the Bureau's compliance with the verifications contained in the Act.

The verifications under the Act include, in summary:

1. Each hospital that qualifies for a DSH payment in the State is allowed to retain the payment, and the payment is available to offset the hospital's uncompensated care costs for inpatient and outpatient hospital services to Medicaid eligible individuals and individuals with no third-party coverage for the services.
2. Payments to the hospitals comply with the hospital-specific DSH payment limits.
3. Only the uncompensated care costs of providing inpatient and outpatient hospital services to eligible individuals are included in the calculation of the hospital-specific limits.
4. The State has included any Medicaid payments, including supplemental payments, in the calculation of such hospital-specific limits
5. The State has separately documented and retained a record of all of its costs under this title, claimed expenditures under the Medicaid program, uninsured costs in determining payment adjustments, and any payments made on behalf of the uninsured from payment adjustments.
6. Specification of how the State defines incurred inpatient and outpatient hospital costs for furnishing such services to eligible individuals.

2.2 Anticipated Timeline

Initial engagement covers "Medicaid State Plan Year" 2013. The regulations require that the engagement be completed by the last day of the Federal Fiscal Year (FFY) (September 30) to ensure final report issuances to CMS within 90 days of completion (December 29). For example, CMS requires that the audit report for State Fiscal Year (SFY) 2013 (also known as the Medicaid State Plan Year) be completed by September 30, 2016. The Vendor must complete the engagement for SFY 2013 by September 30, 2016, and must deliver a draft report to the Bureau by October 30, 2016, and the final reports to the Bureau by November 30, 2016. CMS has indicated no extensions will be allowed for the submission of reports (RFQ 4.1.1.2)

We have developed a timeline based on the anticipated completion dates as stated in the RFQ. We regularly work with states to meet CMS deadlines and requirements. Our plan assumes the Bureau will provide necessary documentation on a timely basis and that any delay may adversely affect the completion dates. We will complete the SFY 2013 DSH audit by September 30, 2016, and deliver a draft report to the Bureau by October 30, 2016, and final reports to the Bureau by November 30, 2016.

2.3 Data Requirements

The data necessary to complete the independent certified audit comes from the following source documents: (RFQ 4.1.1.3)

- The approved Medicaid State Plan for the State Plan rate year under audit (RFQ 4.1.1.3.1).
- State Medicaid Management Information System (MMIS) payment and utilization data (BMS provides this data in an electronic format (RFQ 4.1.1.3.2).
- The Medicare 2552-96 cost report or subsequent Medicare defined hospital cost report (RFQ 4.1.1.3.3).
- Hospital audited financial statements and hospital accounting records (RFQ 4.1.1.3.4).

We will utilize an examination program designed to meet the DSH audit requirements and to ensure BMS' compliance. The program will take into consideration the source of the data provided, particularly given the amount of uncompensated care data included in the West Virginia Medicaid Cost Report. At the start of the DSH audit, we send an Information Request Sheet, which will clearly and concisely delineate the types of information required to be submitted by Hospitals to CMS according to 42 CFR 447.299 (c) in order to permit verification of the appropriateness of the payments and state documentation according to 42 CFR 455.304. Our approach is to review available documentation in advance of conducting our on-site work, as this allows us to complete our on-site work more efficiently and minimize BMS stakeholders' time when working on site.

- Approved Medicaid State Plan for Medicaid State Plan rate year under consideration
- Payment and utilization information from the State's MMIS
- Medicare 2552 hospital cost reports
- Audited hospital financial statements and accounting records

2.4 Audit Report Data Elements

The Vendor's response must confirm that the independent certified audit report will address the six verification items from 42 CFR §455.304 and satisfy all requirements as set forth in 42 CFR 447 and 455. Additionally, the response must include an acknowledgment of the Vendor's responsibility to compile the 18 data elements specified in the regulations for each hospital for each year audited and present that data in a separate schedule (a chart which lists each hospital included in the engagement and the 18 data elements for each hospital) must be included in the response; the final version shall include the amounts for each hospital for each data element (RFQ 4.1.2).

We will issue an examination report that expresses an opinion on the six verifications established in the final rule. We will compile the 18 data elements specified in the regulations for each hospital in the report.

- Issue required certification that will be provided to CMS to demonstrate West Virginia's compliance with the DSH audit requirements outlined in 42 CFR 447 and 42CFR 455.
- Issuing a review report to the Bureau that includes review findings in general and that are specific to each hospital per the review program and process.

2.5 CMS Acceptance of DSH Audit Reports.

The Vendor will provide with its response confirmation of CMS acceptance of three state DSH audit reports (RFQ 4.1.3).

BerryDunn has been providing the State of Maine DSH services for more than 10 years. Each of our DSH audit reports have been successfully submitted and accepted to CMS.

2.6 Workplan

The Vendor will provide a work plan demonstrating an understanding of the overall engagement and services to be provided, including planned due dates for meeting all deliverables in Section 4.1.1 with bid submission (RFQ 4.1.4).



Phase 1

Project Planning

Task 1.1: Conduct initial project planning.

Upon receipt of a signed contract, BerryDunn will begin planning for the audit work to be accomplished. We will conduct an initial planning meeting via teleconference with the BMS Project Team to review and refine the scope of services and deliverables to be provided by BerryDunn; review the project timeline; identify additional BerryDunn, vendor, and State resources to be involved in the project; and discuss factors that may influence the timing or nature of our work.

During this meeting, we will request the names and contact information for State and vendor resources that will be involved in the assessment and determine agreed-upon methods of communication. Entities external to BMS will be involved throughout the audit, with minimal assistance from State staff, we will oversee communications and coordinate directly with hospitals for reporting and survey.

Following this planning meeting, we will update the Project Management Plan and Work Plan for review and approval by the BMS project manager. Agreement with the BMS project manager on communication protocols, tasks, deliverables, timelines, and project standards will set the foundation for future project activities.

Task 1.2: Provide biweekly status reports.

BerryDunn's Audit Manager will maintain the Project Management Plan and Audit Work Plan on an ongoing basis to reflect progress. Our project manager and lead auditor will meet with the BMS project manager on a biweekly basis, or as required by BMS, to review the progress of the project against the Project Management Plan. We plan to conduct these meetings via teleconference, unless the timing coincides with our on-site work.



Deliverable 1: Updated Project Management Plan

Phase 2

Auditing Plan and Educational Training

Task 2.1: Draft Audit Plan

BerryDunn will develop a draft of the Disproportionate Share Hospital Audit Plan, including the procedures we will follow to assess each requirement. The Audit Plan consists of three main components:

- A **Project Audit Plan**, which will outline the responsibilities of both West Virginia BMS and BerryDunn project participants; the project schedule including planned on-site work; and our plan for reporting project status, issues, and risks. We will incorporate relevant components of industry standard audit tools, such as the AICPA Attestation Planning Form into the development of the Project Work Plan.
- **Status Reporting Procedures**, which will outline procedures for regular status reporting, as well as any unanticipated issues.
- **Information Request Sheet**, which will clearly and concisely delineate the types of information required to be submitted by Hospitals to CMS according to 42 CFR 447.299 (c) in order to permit verification of the appropriateness of the payments and state documentation according to 42 CFR 455.304. Our approach is to review available documentation in advance of conducting our on-site work, as this allows us to complete our on-site work more efficiently and minimize BMS stakeholders' time when working on-site.
 - Approved Medicaid State Plan for Medicaid State Plan rate year under consideration
 - Payment and utilization information from the State's MMIS
 - Medicare 2552 hospital cost reports
 - Audited hospital financial statements and accounting records

Task 2.2 Conduct initial kickoff meeting.

The BerryDunn project team will conduct an initial project planning meeting with the designated BMS project manager and appropriate stakeholders to review our proposed Audit Plan, clarify scope expectations, identify known project constraints, and refine dates and/or tasks, as appropriate. We will also discuss the types of information and documentation that exists in BMS' current environment, as well as the desired involvement of BMS staff and necessary preparation.

At this point, we will request names and contact information for BMS stakeholders involved in the project and then schedule a project kickoff meeting. We will request the assistance of BMS

staff to coordinate on-site meeting space, schedule meetings, facilitate the process of circulating deliverable documents for review, and identify participants to engage throughout the project.

Task 2.3 Submit Final Audit Plan.

Based on the information gathered from our initial project planning meeting and preliminary review of documentation, BerryDunn will create an updated Audit Plan and submit it to BMS for approval. State approval of the Audit Plan is a requirement for us to proceed to the next tasks.



Deliverable 2: Project Kickoff Meeting

Deliverable 3: Final Audit Plan

Phase 3

Develop and Provide DSH Training

Task 3.1: Develop and disseminate training.

Prior to two months before we initiate fieldwork and within six weeks of any new regulations issued by CMS, we will provide training that will comply with the DSH audit requirements in 42 CFR 447 and 42 CFR. As part of training, we will:

- Design and conduct an up-front provider education webinar that will provide education on DSH requirements and assist with facilitation of the examination process.
- Provide education during and at conclusion of examination that reviews the findings and identifies best practices. This will be conducted with each provider except to the extent broader issues prevail that would benefit from a webinar or teleconference.



Deliverable 4: Provider Education Sessions

**Phase 4****Perform DSH Audit***Task 4.1 Data gathering.*

Berry Dunn will provide an Information Request Sheet to BMS and hospitals, requesting data and documentation that will be necessary for us to conduct the examinations. The Information Request Sheet will include the following, but is not limited to the following:

Medicaid

- The approved State Medicaid plan for protocol estimating each hospital's DSH limit and the state's DSH payment methodology.
- BMS data for fee-for-service Medicaid IP and OP hospital days and charges for the DSH year under audit
- BMS data for IP and OP Medicaid payments, including all DSH payments and Medicaid add-on payments
- BMS's schedule of DSH payments made for the DSH year under audit

Hospitals

- Hospital cost report(s) for periods that cover the DSH year under audit
- Audited Hospital Financial Statements
- Patient level detail for hospital uncompensated data for each cost report period in DSH audit year, including (all data should indicate patient identification number, admit date, discharge date, and inpatient vs outpatient):
 - Uninsured charges based on discharges incurred during cost reporting period
 - Revenue code, gross charges, routine days, payments received, claim status
 - All self-pay payments including insured and uninsured
 - Cash collection date, payments received, total hospital charges, physician charges, other non-hospital charges, insured status, and claim status
 - West Virginia Medicaid Managed Care Organization, updated from time of cost report filing
 - Revenue code, hospital covered charges, routine days, Medicaid Managed care paid amounts, other third-party liability, and Medicaid managed care allowed amount
 - West Virginia In-State Medicaid Managed Care Crossovers

- Revenue code, routine days, hospital covered charges, total Medicaid payments, total third-party liability payments, and total Medicare paid amount
- West Virginia Out-of-State Medicaid Managed Care Crossovers
 - Revenue code, routine days, hospital covered charges, total Medicaid payments, total third-party liability payments, and total Medicare paid amount
- West Virginia Out-of-State Medicaid Fee-for- Service
 - Revenue code, routine days, hospital covered charges, total Medicaid payments, total third-party liability payments
- West Virginia Out-State Medicaid Fee-for-Service Crossovers
 - Revenue code, routine days, hospital covered charges, total Medicaid payments, and total third-party liability payments

Task 4.2 Perform examination procedures.

Our examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and the standards applicable to attestation engagements contained in Government Auditing Standards issued by the Comptroller General of the United States and, accordingly, include examining, on a test basis, evidence about BMS's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

- Conduct state level procedures, including:
 - Inquiries of key personnel
 - Walkthroughs of transactions to gain an understanding of internal control
 - Review BMS's methodology for estimating hospital specific DSH limit and the DSH payment methodologies approved in the State Medicaid plan
 - Review BMS's DSH protocol to ensure consistency with IP and OP services reimbursable in the approved State Medicaid plan
- Verify that hospitals are all allowed to retain DSH payments.
- Compile hospital specific data (in order to provide complete financial information a hospital must use two or more Medicare cost reporting periods if the cost reporting year does not correspond with the Medicaid State Plan year under audit).
- Obtain hospital specific cost report data and IP and OP revenue data to calculate hospital specific DSH limit.
 - Trace to supporting detail, including patient financial data, general ledgers, and cost reports
 - Review for completeness and mathematical accuracy
- Test uninsured charges—a sample of uninsured charges will be tested in detail to include:
 - Services were provided within the applicable cost report year

- Charges are for inpatient and outpatient services only
 - No third-party coverage exists
 - As considered necessary expanded testing to patient medical records
- Test uninsured payments—a sample of uninsured payments will be tested in detail to include:
 - Payments were received for cost report year under review
 - All payments for cost report year under review have been included in calculation
 - Includes only payments for inpatient and outpatient services
- Calculate uncompensated care costs, including Medicaid Fee-for-Service, Medicaid Managed Care, and patients with no third-party coverage.
 - Calculate per diem and ancillary cost to charge ratios based on Medicare 2552-10 cost apportionment
 - Apply program days to computed per diems and program charges to computed cost to charge ratios to determine program costs
 - Total IP and OP hospital Medicaid Fee- for -Service payment are applied to total IP/OP Medicaid FFS Cost
 - IP/OP Medicaid managed care revenues are applied against IP/OP Medicaid managed care costs
 - IP/OP hospital revenues for patients with no third-party coverage are applied against costs for IP/OP Hospital services provide to patients with no third-party coverage
 - Medicaid Fee-for-Service Cost, Medicaid Managed care cost and costs for patients with no source of third party coverage are totaled to calculate Hospital specific DSH limits
- Compile total DSH payments for DSH plan year under audit for each qualifying hospital (including DSH payments made in other states).
- Compare hospital-specific DSH costs limits to hospital-specific DSH payments for the DSH plan year under audit.
- Summarize findings, including over and underpayments to particular hospitals.

Task 4.3 Select sample hospitals to expand and schedule on-site meetings.

- Using the methods, tools, and standards described above, and the approved Audit Plan, we will identify specific hospitals for on-site audits.
- We will perform analytical and substantive procedures at both the State and hospital levels using a risk-based approach.

Task 4.4: Issue final audit reports, certifications, and findings.

We will issue an examination report that expresses an opinion on the six verifications established in the final rule. We will compile the data elements specified in the regulations for each hospital in the report.

- Issue required certification to BMS that will be provided to CMS to demonstrate West Virginia’s compliance with the DSH audit requirements outlined in 42 CFR 447 and 42CFR 455.
- Issuing a review report to OPDM that includes review findings in general and that are specific to each hospital per the review program and process.



Deliverable 5: Exit Conference

Deliverable 6: Draft Examination Report

Deliverable 7: Final Examination Report

Deliverable 8: Management Advisory Letter

Phase 5

Conduct Project Close-out Teleconference

Task 5.1: Conduct Project Closeout Meeting.

Led by the audit manager, our team will conduct a project closeout meeting to discuss lessons learned from the project, conduct knowledge transfer activities, and items for follow-up.

Members of the BerryDunn project team will attend this meeting, together with the State’s project team and other stakeholders, as appropriate.



Deliverable 11: Project Closeout Meeting

Task 5.2: Provide a status reporting procedure.

During the performance of our examination work, we will provide written status update reports with the BMS contract manager to report work completed and resolution of any issues or more frequently as required. Our purpose is to keep BMS appropriately informed of our progress and ability to meet mutually agreed timelines.

Task 5.3: Provide a current organizational chart.

Our proposed engagement management team several decades of healthcare provider audit experience, including DSH experience. We are utilizing our Maine DSH audit team and our West Virginia Provider Incentive Program (PIP) team for this engagement. Additionally, we will utilize an approved West Virginia MBE for a portion of this project.

2.7 GAGAS Audit Standards

The Vendor must conduct the audit in accordance with Generally Accepted Governmental Audit Standards as defined by the Comptroller General of the United States and the American Institute of Certified Public Accountants (AICPA) Statements on Standards for Attestation Engagements.

We provide our clients assurance and consulting services in a systematic and disciplined manner to ensure that our services meet the requirements of AICPA, the U.S. Securities and Exchange Commission (SEC), Public Company Accounting Oversight Board (PCAOB), state licensing agencies, and Generally Accepted Government Auditing Standards (GAGAS). We maintain these standards requiring our professional staff to complete a minimum of 40 hours of continuing education annually as required by the GAGAS standards.

Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. Our auditors are responsible for conducting audits using sound professional judgment and maintaining independence so that opinions, conclusions, and recommendations are impartial and can be relied upon by third parties. BerryDunn also has established extensive internal mechanisms to reasonably assure that it has adopted and is following applicable standards, policies, and procedures, and undergoes periodic quality control reviews. We will leverage our working knowledge and experience performing other GAGAS audits to rigorously examine WV's DSH program in accordance with GAGAS as defined by the Comptroller General of the United States and the AICPA's Statements on Standards for Attestation Engagements (SSAEs).

Appendix A: BerryDunn Policy of Independence

Policy – The Firm establishes procedures to communicate independence requirements to Firm personnel and, where applicable, others subject to them.

BerryDunn implements this policy through the following procedures:

- a. Having the Quality Assurance Principal (through e-mails and other means) emphasize the concepts of independence, integrity, and objectivity in the Firm's professional development meetings, in the acceptance and continuance of clients and engagements, and in the performance of engagements. Because BerryDunn has a concentration of financial institution clients, this also includes discussing the applicability of these concepts to engagements for financial institutions, such as the prohibition against any member of the engagement team having a "non-grandfathered" loan with the institution, and the types of nonattest services that could affect independence.
- b. Requiring periodic independence and ethics training for all professional personnel, in accordance with CAQ membership requirements. Such training covers the Firm's independence and ethics policies and the independence and ethics requirements of all applicable regulators.
- c. Providing frequent reminders of professional responsibilities to personnel, such as avoiding behavior that might be perceived as impairing their independence or objectivity.
- d. Informing personnel on a timely basis of those entities to which independence policies apply by doing the following:
 - Preparing and maintaining a list of entities with which Firm personnel are prohibited from having a financial or business relationship.
 - Making the list available to personnel so they may evaluate their independence (including personnel new to the Firm or an office).
 - Notifying personnel of changes in the list.

Policy – The Firm establishes procedures to identify and evaluate possible threats to independence and objectivity, including the familiarity threat that may be created by using the same senior personnel on an audit or attest engagement over a long period of time, and to take appropriate action to eliminate those threats or reduce them to an acceptable level by applying safeguards.

BerryDunn implements this policy through the following procedures:

- a. Assigning a principal who is not otherwise associated with the engagement, or who practices in an office other than the office that performs the attest engagement, to review the engagement.
- b. Requiring approval of the assignment of engagement personnel by those individuals' PGL(s).
- c. Rotating engagement principals periodically when required by regulation.
- d. Establishing additional procedures that provide safeguards when the Firm performs audit or other attest work for (a) significant clients or (b) clients at which principals or other senior personnel are offered key management positions, or accept offers of employment, by utilizing the procedures contained in the AICPA Code of Professional Conduct, including the Conceptual Framework for AICPA Independence Standards.
- e. Performing the following procedures to effectively eliminate the risk of independence impairment for SEC registrant audit clients that employ a former Firm professional:
 1. Pre-change in employment safeguards:
 - a. Firm professionals are required promptly to report to the Firm conversations between themselves and an SEC audit client respecting possible employment.
 - b. Firm professionals engaged in negotiations respecting possible employment with an audit client are immediately removed from the audit engagement.
 - c. Upon removal of a professional from the audit engagement as provided above, the Firm reviews the professional's work to assess whether he or she exercised appropriate skepticism while working on the audit engagement.
 2. Post-change in employment safeguards:
 - a. If a professional accepts employment with the SEC audit client, the ongoing engagement team gives active consideration to the appropriateness or necessity of modifying the audit plan to adjust for risk of circumvention.
 - b. When a former Firm professional joins an SEC audit client and will have significant interaction with the audit team, the Firm takes appropriate steps to provide that the existing audit team members have the stature and objectivity to effectively deal with the former Firm professional and his or her work.
 - c. When a former Firm professional joins an audit client within one year of disassociating from the Firm and the professional has significant interaction with the audit team, the next following annual audit is separately reviewed by a Firm professional uninvolved in the audit to determine whether the remaining engagement team maintained the appropriate skepticism when evaluating the representations and work of a former Firm professional. The extent of this review should be tailored based on the position that the

former professional has assumed at the audit client and other facts and circumstances that would heighten or mitigate threats to independence. If such individual is employed in a financial reporting oversight role, the Firm resigns from the audit until such time that the “cooling-off period” defined in SEC independence rules has expired.

- d. The Firm requires the settlement of all capital and retirement balances of the former Firm professional in accordance with regulations promulgated by the SEC.
- f. Designating the Quality Assurance Principal to be responsible for overseeing the adequate functioning of the Firm’s independence policies.
- g. Implementing a system to identify investment holdings of principals and managers that might impair independence.
- h. Requiring all professionals to report, on a timely basis when identified, apparent violations of independence, integrity, or objectivity policies involving themselves, their spouses, or their dependents and the corrective actions taken or proposed to be taken.
- i. Establishing a requirement for all professional personnel to notify the Quality Assurance Principal of any potential activities that might impair independence or violate ethics rules, including services provided to entities with which Firm personnel are prohibited from having a business relationship.
- j. Establishing a program that protects professional personnel who report potential ethics or independence violations to the proper parties in compliance with Firm policy.
- k. Requiring the Quality Assurance Principal to periodically review unpaid fees from clients to ascertain whether any outstanding amounts impair the Firm’s independence.
- l. Developing guidance that sets forth the consequences for professional personnel who violate the Firm’s independence policies and procedures, including engaging in activities with entities with which the Firm personnel are prohibited from having a business relationship. Sanctions may include, among other actions, reprimand, suspension from participation in the Firm’s attest services, and termination of employment.
- m. Requiring all professional personnel to review the list of entities with which the Firm personnel are prohibited from having a business relationship before a professional or the spouse or dependent of a professional obtains a security or financial interest in an entity.
- n. Establishing criteria that determine the need for safeguards for engagements where monitoring procedures or peer review have identified weaknesses in previous years.
- o. Documenting any safeguards applied to eliminate threats to independence or reduce them to an acceptable level.
- p. Promptly communicating identified breaches of these policies and procedures, and the required corrective actions, to (a) the engagement principal who, with the Firm, needs to address the breach and (b) other relevant personnel in the Firm and those subject to the independence requirements who need to take appropriate action.
- q. Obtaining confirmation from the engagement principal and other relevant personnel that the required actions have been taken.

Policy – The Firm withdraws from the engagement if effective safeguards to reduce threats to independence to an acceptable level cannot be applied.

BerryDunn implements this policy through the following procedures:

- a. Consulting within the Firm and, if necessary, with legal counsel and other parties when the Firm believes that effective safeguards to reduce threats to independence to an acceptable level cannot be applied.
- b. Withdrawing from engagements when effective safeguards to reduce threats to independence to an acceptable level cannot be applied.

Policy – The Firm obtains written confirmation, at least annually, of compliance with its policies and procedures on independence from all Firm personnel required to be independent by relevant requirements.

BerryDunn implements this policy through the following procedures:

- a. Obtaining written representations from personnel, upon hire and on an annual basis, stating that they:
 1. Have read the Firm's independence, integrity, and objectivity policies,
 2. Understand the applicability of those policies to their activities,
 3. Have complied with the requirements of those policies since their last representation (requests for such written representations are accompanied by the most current list of all entities with which Firm personnel are prohibited from having a financial or business relationship), and
 4. Consent to cooperate in and comply with any request for testimony or the production of documents made by the PCAOB in furtherance of its responsibilities under the Sarbanes-Oxley Act of 2002, and understand such consent to cooperate is a condition of employment.
- b. Assigning responsibility to the Firm's Quality Assurance Principal for obtaining such written representations, reviewing independence compliance files for completeness, and resolving reported exceptions.
- c. Requiring the engagement principal to sign a step in the engagement program attesting to compliance with the independence requirements that apply to the engagement.

Policy – The Firm establishes procedures for confirming the independence of another firm or firm personnel in associated member firms who perform part of an engagement.

BerryDunn implements this policy through the following procedures:

- a. Describing in its policies and procedures the form and content of independence representations, and the frequency with which they are to be obtained.
- b. Requiring that such representations be documented.

Policy – The Firm rotates personnel for audit or attest engagements where regulatory or other authorities require such rotation after a specified period.

BerryDunn implements this policy by having the Quality Assurance Principal monitor regulatory requirements for financial institutions and other entities and notifying principals of the need for rotation.

Appendix B: References

On the following pages, we have provided references for four projects similar in scope and size that have been led by our project team.

As consultants, we must assure the quality of our services and our work products to preserve our reputation and ensure our long-term viability. We encourage you to contact our references to inquire about our performance and our clients' satisfaction with the services we have provided.

Disproportionate Share Hospital (DSH) Payment Audit Services

PROJECT

Since the inception of the federal audit requirement in 2005, BerryDunn has performed the DSH audits for the State of Maine. With BerryDunn's help, Maine was one of the first states to meet CMS's original deadline for submission of the first two DSH audit years. The 2011 examination was most recently completed.

The total DSH cost limit is approximately \$28 million annually and entails audits of the two State-owned institutes for mental disease. BerryDunn's audit team has developed a good working relationship with the Department and continually provides recommendation and assistance with the Department's compliance with current and proposed DSH rules promulgated by CMS, and an assessment of risk of the state's current DSH program operational practices. We also perform an analysis of the Department's rules, policies, and procedures, including the State Plan.

SERVICES PROVIDED

- Verification of the DSH payment methodology for compliance with State Plan and Federal laws and regulations
- Medicare cost report verification used in the calculation for DSH reimbursement
- Comparison of uncompensated costs to the DSH payment received by each hospital
- Prepare federally required audit reports
- Perform review procedures on claims data provided assess risk of each hospital
- Review calculation of DSH cost limits prepared by the State of Maine

CLIENT

Maine Department of Health and
Human Services
11 State House Station
221 State Street
Augusta, ME 04330

CONTACT

Robin Verzoni
Managing Staff Accountant
(207)287-4835
robin.verzoni@maine.gov

TERM OF CONTRACT

2005 – Present

Disproportionate Share Hospital Payment Consulting Services

PROJECT

As a result of changes in the State of New Hampshire's FY 2011 DSH payment mechanism, the majority of New Hampshire providers were overpaid. In conjunction with the New Hampshire Hospital Association and the State, we assisted our hospital clients in verifying the data provided and calculations performed by the State's DSH auditors.

Given the complexity of the New Hampshire DSH program, we are actively working with state staff, the hospital association, and hospitals to provide education, insight, and guidance. In the midst of confusion and uncertainty, BerryDunn has provided clear, consistent information, on a timely basis, which led to our audit team becoming a trusted advisor.

SERVICES PROVIDED

- Attend meetings with the Department on modifications to the DSH program to conform with State and Federal audit methodology
- Technical assistance on the DSH audit work performed
- Assist the hospitals with transitioning their DSH payment methodology to be consistent with the DSH audit methodology
- Review, verify, and extract information from New Hampshire hospital cost reports and paid claims data

CLIENT

New Hampshire Hospital
Association
125 Airport Road
Concord, NH 03301

CONTACT

Paula Minnehan
Vice President, Finance and
Rural Hospitals
603.415.4254
pminnehan@nhha.org

TERM OF CONTRACT

2011 – Present

Hospital Cost Reporting Experience

PROJECT

BerryDunn was initially engaged by Central Maine Health Center to determine in its filing were appropriately performed by its internal audit staff with respect to its large medical center, headquarters, and two critical access hospital subsidiaries for appropriateness. We optimized the reimbursement approach and reduced risk and compliance exposure by developing clear, consistent documentation.

Additionally, we developed training materials and instructed staff on managing the operational, financial, and governance dimensions of cost reporting. As a result of our initial engagement, BerryDunn has now assumed responsibility for two of the cost reporting filings, which had been historically performed in house.

SERVICES PROVIDED

- Collection of data to minimize administrative burden
- Completion of Medicare and Medicaid cost reports
- Preparation and submittal of cost reporting
- Rate setting reviews to ensure payment rates accurately reflect costs, optimizing revenues
- Submission of a letter of recommendation, as applicable, to the client that outlines findings for process improvements and highlights changes to federal and state regulations that could potentially impact reimbursement to clients

CLIENT

Central Maine Health Care
29 Lowell St., Box A
Lewiston, ME 04240

CONTACT

Andrea Schaper
Manager of Reimbursement
(207) 795-2286
schapean@cmhc.org

TERM OF CONTRACT

2003 – Present

HealthSource Rhode Island Financial and Programmatic Audit

PROJECT

Pursuant to the requirement under 45 CFR 155.1200, we completed a financial and programmatic audit of HealthSource Rhode Island (HSRI) the State-Based Marketplace for the State of Rhode Island.

We conducted an audit of the Statement of Appropriations and Expenditures of HSRI, as well as an assessment of HSRI's compliance with the program requirements under 45 CFR 155. We conducted our audit in accordance with U.S. generally accepted auditing standards and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. We completed an audit of HSRI's compliance with the programmatic requirements under 45 CFR 155 and an audit of its financial statement and issued a report to CMS on June 1, 2015.

SERVICES PROVIDED

- Reviewed processes and procedures, read pertinent documents, and performed inquiries, observations, testing, and staff interviews to determine whether HSRI is in material compliance with 45 CFR 155
- Performed site visits and walkthroughs of HSRI's Contact Center
- Performed a site visit of the Agency that operates the Navigator and Certified Application Counselor program
- Selected a sample of cases to test eligibility, verification, and enrollment processes and procedures; a sample of exemption cases; and a sample of appeals to assess their compliance with the requirements under 45 CFR 155

CLIENT

Health Source Rhode Island
70 Royal Little Drive
Providence, RI 02904

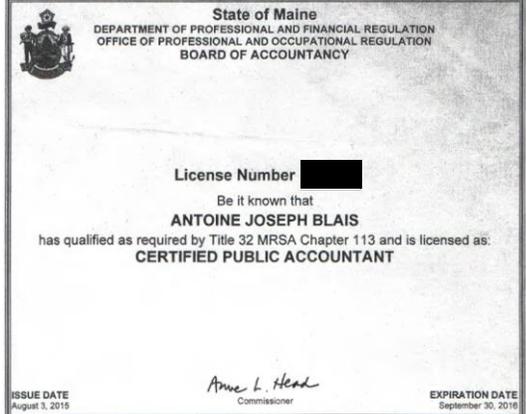
CONTACT

James Thorsen
Deputy Director
Health Source Rhode Island
James.Thorsen@exchange.ri.gov
401.415.8104

TERM OF CONTRACT

2015 – 2016

Appendix C: CPA Certifications

William Brown, CPA, MAFF, CFE	Connie Ouellette, CPA, FHFMA
 <p>State of Maine DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION OFFICE OF PROFESSIONAL AND OCCUPATIONAL REGULATION BOARD OF ACCOUNTANCY</p> <p>License Number [REDACTED]</p> <p>Be it known that WILLIAM H. BROWN has qualified as required by Title 32 MRSA Chapter 113 and is licensed as: CERTIFIED PUBLIC ACCOUNTANT</p> <p>ISSUE DATE: September 30, 2015 EXPIRATION DATE: September 30, 2016</p> <p><i>Anne L. Head</i> Commissioner</p>	 <p>State of Maine DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION OFFICE OF PROFESSIONAL AND OCCUPATIONAL REGULATION BOARD OF ACCOUNTANCY</p> <p>License Number [REDACTED]</p> <p>Be it known that CONNIE JANDREAU OUELLETTE has qualified as required by Title 32 MRSA Chapter 113 and is licensed as: CERTIFIED PUBLIC ACCOUNTANT</p> <p>ISSUE DATE: August 6, 2015 EXPIRATION DATE: September 30, 2016</p> <p><i>Anne L. Head</i> Commissioner</p>
Lisa Trundy-Whitten, CPA, FMFMA, CPC-A	Tracy Harding, CPA
 <p>State of Maine DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION OFFICE OF PROFESSIONAL AND OCCUPATIONAL REGULATION BOARD OF ACCOUNTANCY</p> <p>License Number [REDACTED]</p> <p>Be it known that LISA S. TRUNDY has qualified as required by Title 32 MRSA Chapter 113 and is licensed as: CERTIFIED PUBLIC ACCOUNTANT</p> <p>ISSUE DATE: September 23, 2015 EXPIRATION DATE: September 30, 2016</p> <p><i>Anne L. Head</i> Commissioner</p>	 <p>State of Maine DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION OFFICE OF PROFESSIONAL AND OCCUPATIONAL REGULATION BOARD OF ACCOUNTANCY</p> <p>License Number [REDACTED]</p> <p>Be it known that TRACY HARDING has qualified as required by Title 32 MRSA Chapter 113 and is licensed as: CERTIFIED PUBLIC ACCOUNTANT</p> <p>ISSUE DATE: August 3, 2015 EXPIRATION DATE: September 30, 2016</p> <p><i>Anne L. Head</i> Commissioner</p>
Antoine Blais, CPA, CFE	
 <p>State of Maine DEPARTMENT OF PROFESSIONAL AND FINANCIAL REGULATION OFFICE OF PROFESSIONAL AND OCCUPATIONAL REGULATION BOARD OF ACCOUNTANCY</p> <p>License Number [REDACTED]</p> <p>Be it known that ANTOINE JOSEPH BLAIS has qualified as required by Title 32 MRSA Chapter 113 and is licensed as: CERTIFIED PUBLIC ACCOUNTANT</p> <p>ISSUE DATE: August 3, 2015 EXPIRATION DATE: September 30, 2016</p> <p><i>Anne L. Head</i> Commissioner</p>	

