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Fax transmission

Please deliver to: Roberta Wagner

Company name: State of WV – Purchasing Division

Fax number: 304-558-4115

Subject: Req # BHS80097

Sent by: Rod Hardy

Total number of pages, including cover sheet: 3

Date: 04/25/08 Time:

Comments: Confirmation of receipt of Addendums #1 thru #3

RECEIVED
2008 APR 28 A 11:38
PURCHASING DIVISION
STATE OF WV

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

Quotation

BHS80097

2

ADDRESS CORRESPONDENCE TO ATTENTION OF:

ROBERTA WAGNER
 304-558-0067

*709041713 304-346-0441
 ARNETT & FOSTER PLLC
 PO BOX 2629

CHARLESTON WV 25329

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

VENDOR

SHIP TO

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
04/20/2008				

BID OPENING DATE: 05/01/2008 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>ELECTRONIC MEDIUM SUCH AS CD-ROM.</p> <p>REV. 04/11/2001</p> <p>2. TO RESPOND TO THE VENDOR'S QUESTIONS PER ATTACHED.</p> <p>3. ADDENDUM ACKNOWLEDGEMENT IS ATTACHED. THIS DOCUMENT SHOULD BE SIGNED AND RETURNED WITH YOUR BID. FAILURE TO SIGN AND RETURN MAY RESULT IN DISQUALIFICATION OF YOUR BID.</p> <p>EXHIBIT 10</p> <p style="text-align: center;">REQUISITION NO.: BHS80097</p> <p>ADDENDUM ACKNOWLEDGEMENT</p> <p>HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.</p> <p>ADDENDUM NO.'S:</p> <p>NO. 1 <input checked="" type="checkbox"/></p> <p>NO. 2 <input checked="" type="checkbox"/></p> <p>NO. 3 <input checked="" type="checkbox"/></p> <p>NO. 4 <input type="checkbox"/></p> <p>NO. 5 <input type="checkbox"/></p> <p>I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.</p> <p>VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL REPRESENTATION MADE OR ASSUMED TO BE MADE DURING ANY ORAL DISCUSSION HELD BETWEEN VENDOR'S REPRESENTATIVES</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE

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



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

Quotation

BHS80097

3

ADDRESS CORRESPONDENCE TO ATTENTION OF:

ROBERTA WAGNER
304-558-0067

*709041713 304-346-0441

ARNETT & FOSTER PLLC
PO BOX 2629

CHARLESTON WV 25329

VARIOUS AGENCY LOCALES
AS INDICATED BELOW

REPLY

SHIP TO

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
04/20/2008				

BID OPENING DATE: 05/01/2008 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>AND ANY STATE PERSONNEL IS NOT BINDING. ONLY THE INFORMATION ISSUED IN WRITING AND ADDED TO THE SPECIFICATIONS BY AN OFFICIAL ADDENDUM IS BINDING.</p> <p style="text-align: center;"> <i>Raymond R. Hardy</i> SIGNATURE <i>ARNETT & FOSTER, PLLC</i> COMPANY <i>4-25-08</i> DATE </p> <p>REV. 11/96</p> <p>END OF ADDENDUM NO. 3</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
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TITLE	FERN	ADDRESS CHANGES TO BE NOTED ABOVE
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WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

“Innovation With Results”

Proposal for Services

Submitted by:

Arnett & Foster, P.L.L.C.

WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES “BUREAU FOR BEHAVIORAL HEALTH AND HEALTH FACILITIES”

Welch Community Hospital

William R. Sharpe Jr. Hospital

Mildred Mitchell-Bateman Hospital

Proposal in Response to
RFQ Number BHS 80097
Buyer: RW/File 22
Bid Opening Date: 5/01/08
Bid Opening Time: 1:30



101 Washington Street, East
Charleston, West Virginia 25329
TEL: 304.346.0441/800.642.3601
FAX: 304.346.8333
www.afnetwork.com

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2008 MAY -1 A 9 19

PURCHASING DIVISION
STATE OF WV

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TEL: 304-346-0441
FAX: 304-346-8333

Jack Rossi, CPA
Gary Swingle, CPA
John Kee, CPA
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Steve Robey, CPA, CVA
G. Lane Ellis, CPA, CISA, CVA
C. Greg Gibbs, CPA
Keith Hutcheson, CPA
Chris Joseph, CPA, CISA
David D. Hill, CPA
John Guido, CPA

May 1, 2008

Ms. Roberta Wagner
Purchasing Division
2019 Washington Street, East
P.O. Box 50130
Charleston, West Virginia 25305

Re: RFQ BHS80097

Dear Ms. Wagner:

We appreciate the opportunity to submit this proposal to you to provide professional services to Welch Community Hospital, William R. Sharpe, Jr. Hospital and Mildred Mitchell-Bateman Hospital.

Our responses to RFQ BHS80097 are presented in the following pages. We would, however, like to summarize several key reasons why Arnett & Foster, P.L.L.C. should be retained as the Hospitals' accounting and consulting firm.

First, we meet all of the mandatory requirements.

Second, we have experience working with these Hospitals.

Our health care staff has extensive experience in serving the state-operated health care facilities. As a result of the compilation and general accounting services that we have provided to the State Hospitals over the years we have become well acquainted with the accounting systems utilized by each facility. We have completed or reviewed numerous Medicare/Medicaid cost reports for all state-operated facilities. We have also developed financial management and revenue optimization plans for Mildred Mitchell-Bateman Hospital, Welch Emergency Hospital and William J. Sharpe, Jr. Hospital. Medicaid disproportionate share funding is significant and critical to the funding of the Hospitals operations. We have extensive experience with DSH programs for state hospitals as well as several years experience with the program in West Virginia.



Third, we have the resources and experience of a national firm with the personal touch of a local firm.

In addition to being the largest firm in West Virginia with a specialized health care auditing and consulting group, we are also affiliated with the 5th largest accounting firm in the country, McGladrey and Pullen. Through our "network" agreement, we work closely with McGladrey's health care staff on special projects and consult with them when needed. Through our network, we have access to the resources of more than 80 offices throughout the United States. McGladrey and Pullen serves over 300 hospitals nationally.

Finally, and most importantly, we offer value.

As a provider of health care services and a State entity, we realize that you must analyze the cost-benefit of all goods and services you purchase. Since we only utilize professionals with extensive health care experience, the disruption to your staff will be minimized. Additionally, we believe our fees are very reasonable for the quality of service you will receive.

We believe the price outlined in our proposal is fair and reasonable considering the financial and management complexities abundant in acute care and psych hospitals. We also believe it is important that approximately 41 percent of all hours provided have been provided by managers and partners, our most experienced professionals, making the proposed fees even more cost effective.

Thanks to WVDHHR and the State of West Virginia for allowing us to submit this proposal. Please call if you have any questions regarding this cost proposal.

Sincerely,



Greg Gibbs, P.L.L.C. Member

CGG/afp

gfr/03005/audit/fs/wv dhhr proposal
(Welch-sharpe-mitchell-bateman)/08





SECTION ONE Vendor Information

The Partnership of Arnett & Foster, P.L.L.C. (A&F) began business in October, 1967 in Charleston, West Virginia and is the successor of the proprietorship organized in 1950 by deceased partner James M. Arnett. The Firm has enjoyed substantial growth since its organization and maintains a position of dignity and responsibility in the business community. As of October 1, 1996, Arnett & Foster, P.L.L.C. became a Professional Limited Liability Company with all designations of "Partner" changing to "Member". Based on our 40 plus years of conducting business in the State of West Virginia we satisfy the requirement of being an established CPA firm, registered in the State of West Virginia, with at least 10 years of experience. See the "Cost Proposal" section of our proposal for a copy of our WV "business registration certificate".

Size and Organizational Structure of the Firm

Arnett & Foster, P.L.L.C. has offices in Charleston and Lewisburg. The majority of our staff is located in our Charleston office. An analysis of our complete staff is as follows:

- 11 Members
- 1 Principal
- 15 Managers
- 12 Supervisors
- 15 Senior Associates
- 20 Associates
- 21 Support Staff
- 95 total staff including 43 CPA's**

The members and principals of Arnett & Foster, P.L.L.C. are as follows:

- ◆ Jack Rossi, Presiding Member
- ◆ John W. Kee, General Services Member
- ◆ Steven S. Robey, Tax Services Member
- ◆ Gary L. Swingle, Tax Services Member

- ◆ William H. McKee, Jr., Tax Services Member
- ◆ Greg Gibbs, Health Care Services Member
- ◆ Lane Ellis, Jr., Consulting Services Member
- ◆ David D. Hill, Executive Director, Member
- ◆ Keith Hutcheson, Health Care Services Member
- ◆ Chris Joseph, Consulting Services Member
- ◆ John M. Guido, General Services Member
- ◆ Nancy Morris, Principal

Our practice is divided into the following practice groups:

- ❖ Accounting and Auditing Services
- ❖ Financial Institutions Services
- ❖ Consulting Services
- ❖ Health Care Services
- ❖ Tax Services





SECTION TWO Project Experience

Arnett & Foster, P.L.L.C. is one of the most highly recognized health care consulting firms in the State of West Virginia. We have achieved this status through a commitment of the firm's resources to health care. We provide our health care clients with a unique mix of services including auditing, reimbursement consulting (Medicare and Medicaid), regulatory assistance, computer consulting, and tax services. Our healthcare consulting services, as they relate to Medicare and Medicaid cost reporting, began in 1985. The healthcare consulting services were then expanded in 1990 to add expertise in the area of West Virginia Healthcare Authority (HCA) rate regulation. This experience satisfies the requirement that the successful vendor has at least: 5 years of healthcare consulting experience, 3 years of CMS 339 reporting experience and 5 years of HCA reporting / rate regulation experience.

Our health care client base continues to grow because of our reputation and the results of the services we provide. Our reputation and quality work have resulted in expansion of our services to Ohio, Pennsylvania, New York, Maryland, Virginia, Georgia, Iowa, Kentucky, and Minnesota. However, our primary market area is West Virginia and our primary client base is hospitals. The experience gained from our wide variety of diversified health care clients will benefit the Hospital. The types of health care clients served include:

- Hospitals
- Hospitals with hospital-based long-term care units
- Psychiatric hospitals and psychiatric units
- Clinics and large physician groups
- Emergency care centers
- State Department of Health and Human Resources

- Federal government
- Physicians
- Skilled nursing facilities
- Intermediate care facilities
- Continuing care retirement centers
- Home health agencies

Key Point: Our experience is diverse enough that we can handle any fiscal situation with which the Hospitals may need assistance.

The following is a listing of experience qualifications relating to the services specifically requested in your request for proposal:

State Operated Health Care Entities

We have provided services to State operated hospitals and State operated long-term care facilities for over 15 years. These include Mildred Mitchell-Bateman Hospital, Welch Emergency Hospital, William J. Sharpe, Jr. Hospital, WV Rehab Hospital, Lakin State Hospital, and others. We have a thorough understanding of the State's accounting systems, budgetary process, and policies and procedures. Our experience will result in maximum efficiency in completing the task we are requested to perform.

Key Point: We have significant experience with the state operated facilities that no other CPA firm can match.

Medicare Cost Reporting

We prepare over 100 Medicare cost reports annually. We have assembled the most experienced staff of reimbursement specialists available. Included in our staff are individuals with past Medicare fiscal intermediary audit experience.



Our current healthcare consulting team has an average of 17 years of Medicare & Medicaid cost report preparation experience.

Key Point: We have prepared cost reports for the state operated facilities for the last sixteen years and have worked closely with Medicare and Medicaid intermediaries to maximize reimbursement while ensuring integrity in the financial and statistical data used.

Health Care Authority (HCA)

We have a thorough understanding of HCA reporting requirements and rate regulatory issues. Annually, we prepare approximately 15 HCA Uniform Reports and prepare or assist in preparing 5 to 10 rate applications. We also prepare, and/or review, the quarterly CBM-9 reports for several hospitals. Additionally, we participate in many rate hearings, working in conjunction with hospital legal counsel.

Key Point: Our experience in this area will ensure the Hospitals stay in compliance with all applicable state regulations.

Appeal of Reimbursement Issues

We have successfully filed appeals with the Provider Reimbursement Review board and currently have appeals of reimbursement related issues pending. Our appeals and reopening of prior year cost reports have resulted in significant improvement to third party revenues.

Key Point: The Hospitals have many unique reimbursement issues, such as Medicare and Medicaid DSH, that are not always properly understood by the intermediaries. Appeals may be necessary in the future and we can ensure they are properly handled.

West Virginia Disproportionate Share Calculation (DSH)

A substantial amount of the Hospital's funding comes from Medicaid disproportionate share payments. Arnett & Foster, P.L.L.C.'s reimbursement staff have a detailed understanding of Federal regulations and the State Plan provisions relating to disproportionate share payments. We have performed these calculations for all qualifying state hospitals over the past twelve years and have assembled documentation to

support the amounts claimed for future Federal audit purposes.

We also understand the interrelationship between each hospital's Medicaid utilization and the effect that changes in Medicaid utilization can have on the State's overall Federal Matching pool of DSH funds. We can provide advice on how changes in patient services, changes in the number of beds per facility, etc. can affect the Federal Matching dollars that the State of WV currently receives. We realize that changes in operations at the state-owned hospitals not only effect the DSH payment received by these hospitals but can also have a significant domino effect on the Federal matching funds received by the entire State of WV.

Key Point: We are the only firm that has actually performed those calculations, which are very critical to the Hospitals' revenues. Our calculations have been reviewed by Federal and state auditors.

Medicare Disproportionate Share Calculation (DSH)

Acute care hospitals can benefit from the additional payments that the Medicare program will provide to hospitals that experience a large Medicare Part A inpatient population combined with a relatively large Medicaid inpatient population. The patient volume factors that influence the Medicare DSH payment must be reviewed periodically to ensure that a hospital is receiving its fair share of Medicare DSH payments. Arnett & Foster PLLC has partnered with Passport Health Communications, Inc. to assist several hospitals in increasing their Medicare DSH reimbursement. Passport Health provides Medicaid eligibility information that is readily accepted by the local Medicare intermediary.

Key Point: We are well-versed in the specifics of the Medicare DSH payment regulations. We can provide the means to increase a hospitals Medicare DSH payments and, more importantly, we can provide the documentation to the Medicare intermediary to support an increase in Medicare DSH payments.



Feasibility Studies

Because of our experience and understanding of health care, we regularly perform feasibility studies for health care providers. Examples of feasibility studies completed include bond refinancing, new medical services, new hospitals, union wage negotiations, and rural health clinics.

Key Point: Accurate and reliable financial feasibility studies are necessary to make management decisions about new services or ventures. With our background and knowledge of the Hospitals, experience with financial projections, and understanding of reimbursement issues, we can provide management the information they need.

Hospital Based Physicians

Hospital/physician relationships have changed much over the past five years. Arnett & Foster, P.L.L.C. has considerable experience reviewing and analyzing physician contracts and employment agreements. The structure of these arrangements has a direct bearing on the amount of thorough understanding of the Medicare Part B program, Medicare reimbursement under the RBRVS methodology, proper coding of procedures and proper billing practices.

Key Point: Our experience will help ensure that physician services are properly structured and revenues maximized.

MAS 90 Experience

We have installed numerous MAS 90 Accounting Software systems in several industries. Our services typically include needs assessment, acquisition, installation, training, implementation and ongoing support assistance. We have clients located throughout the state of West Virginia and have serviced clients in adjacent states. We have effectively provided support services through telephone assistance, on-line access and on-site visits. Arnett & Foster, P.L.L.C.'s information technology consultant, Mr. Christopher E. Joseph provides significant MAS 90 Accounting consulting services on a daily basis.

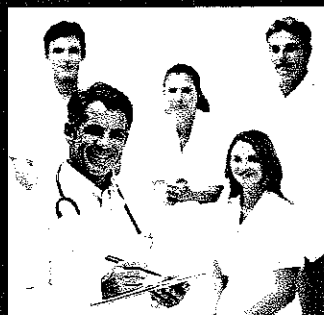
Key Point: Our significant experience in MAS 90 Accounting Software will help ensure that our client's accounting software needs are met.

Revenue Cycle

With changes in recent years to the Medicare cost report reimbursement methodology for psychiatric services, as well as the expansion in the number of Diagnostic Related Groups (DRG's) for payment of acute services, correct coding and billing now occupies a larger role in the overall reimbursement scheme than it did even four to five years ago. We have assembled a revenue cycle team that has experience in all phases of the revenue cycle process. Our revenue cycle experience includes charge master reviews, assistance with coding, regulatory compliance review and "complete on-site revenue cycle reviews" which encompass the admission process thru billing & collection.

Key Point: Our knowledge of Medicare and WV Medicaid billing processes, coupled with our team of personnel who are well-versed in all aspects of the revenue cycle, makes us uniquely qualified to assist in ensuring that each hospital receives the appropriate payment for patient services rendered.



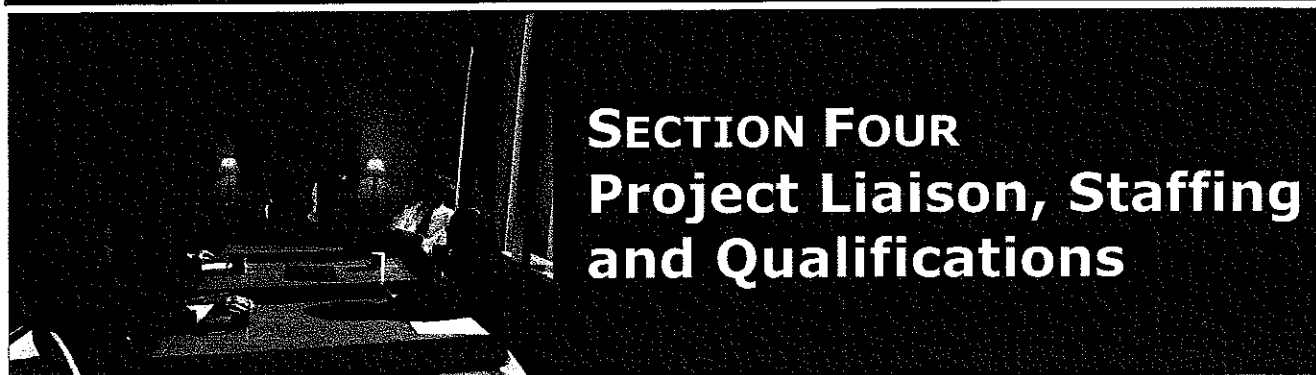


SECTION THREE References

Following is a list of references for which we have asked permission to use their name:

- Todd Campbell, CEO, St. Mary's Hospital
Phone: (304) 526-1270
Services performed include audit, cost reports, HCA filings and consulting services.
- David Shaffer, Administrator, Stonewall Jackson Memorial Hospital
Phone: (304) 269-8059
Services performed include audit, cost reports, HCA filings and consulting services.
- Beth Boyd, Director of Accounting, Thomas Memorial Hospital
Phone: (304) 766-3537
Services performed include cost reports and consulting services.
- Ron Talley, CFO, Winchester Medical Center
Phone: (540) 536-2747
Services performed include annual audit and various consulting.
- Dora Douglas, CFO, Summersville Memorial Hospital
Phone (304) 872-8571
Services performed include audit, cost reports, HCA filings and consulting services
- Patti Gusler, Bluefield Health Systems,
Phone: (304) 327-1710
Services include cost reports, all HCC filings and consulting.
- Doug Bentz, Roane General Hospital
Phone: (304) 927-6200
Services include annual audit, cost reports, HCA filings and consulting services





SECTION FOUR Project Liaison, Staffing and Qualifications

Arnett & Foster, P.L.L.C. utilizes the client-member concept for all engagements. Under this concept, the client-member has the ultimate responsibility for the engagement. **Greg Gibbs, CPA** has been designated as client-member and he will have the following major responsibilities:

- Acting as primary contact at Arnett & Foster, P.L.L.C. for the Hospital and related entities to assure an open and effective channel of communication at all times.
- Determining the final content of the accountant's reports and ascertaining compliance with Firm and professional standards.
- Director, controlling, and supervising the efforts of all personnel assigned to the engagements.
- Offering assistance in the solution of technical or sensitive problem areas encountered during the performance of the audits.
- Reviewing all working papers, cost reports, financial statements, and other reports to be issued.

Mr. Gibbs will also be assisted by other members of our staff having accounting, reimbursement and health care experience.

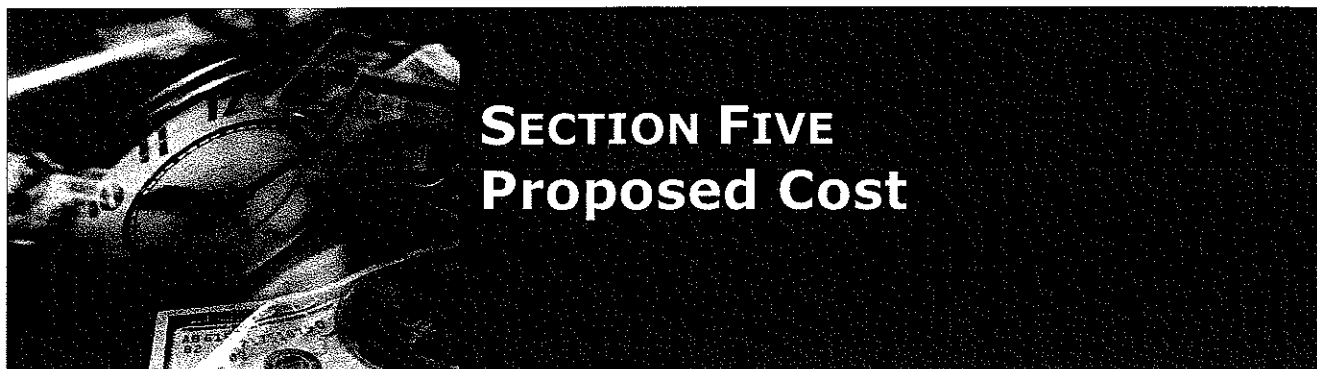
The following is a listing of the other key personnel to be assigned to the engagements.

Individual	Classification	Responsibility
Keith Hutcheson	Member	Responsible for technical reviews in the completion of the Medicare and Medicaid Cost Reports.
Chris Joseph	Member	Responsible for providing accounting systems software support and training.
Chad Wright	Senior Associate	Responsible for assistance with completion of Medicare and Medicaid Cost Reports.
Rod Hardy	Senior Manager	Responsible for technical reviews in the completion of the Medicare and Medicaid Cost Reports
Jill Newberry	Manager	Responsible for providing support for all phases of the revenue cycle including assistance with Medicare billing and coding
Travis Delaplain	Supervisor	Responsible for assistance with maintenance of the general ledger and accumulation of information to prepare all reports.



All of the individuals listed as key personnel have experience, with one exception, at Welch Emergency Hospital, Mildred Mitchell-Bateman Hospital and William J. Sharpe, Jr. Hospital. The continuity in staff assignments is of great benefit to the Hospitals since it limits training time, allows for consistent communication and permits all personnel to be knowledgeable with respect to the unique issues facing the Hospitals.





SECTION FIVE Proposed Cost

CONSIDERATIONS FOR DETERMINATION OF HOURLY RATE

The hourly rate submitted by Arnett & Foster, P.L.L.C. for RFQ #BHS80097 is \$119.00. During the course of evaluating the Arnett & Foster, P.L.L.C. bid, it is important for the State of WV Purchasing Division to be aware of the factors that we considered in arriving at this hourly rate.

UTILIZATION OF RESOURCES

All of the work requires an understanding of the unique accounting systems utilized by the State hospitals. In addition, the third-party payment issues related to WV Medicaid and the Federal Medicare program call for the use of specialized personnel with several years of experience working with Medicaid and Medicare reimbursement. For these reasons noted, Arnett & Foster, P.L.L.C. has historically utilized personnel who possess a significant level of healthcare experience in order to fulfill the mandatory requirements outlined in the contract.

The following summary is presented to illustrate the experience level of the personnel that have been utilized in recent years.

<u>Employee Title</u>	<u>% of Hours (historically) Dedicated to the State Hospital Contract</u>
Member / Manager	41%
Supervisor / Senior	40%
Associate (staff)	19%

Please note that the experience "mix" noted above has been utilized by Arnett & Foster, P.L.L.C. in arriving at the \$119.00 hourly rate submitted with this RFQ. We wish to emphasize that the mandatory requirements outlined in the RFQ cannot be performed by entry-level personnel or by personnel who do not possess specialized governmental third-party knowledge.

KEY POINT: Any comparisons made of the hourly rate submitted by the various vendors, to this RFQ, must consider the compliment of personnel that the vendor has "factored" into their submitted rate.

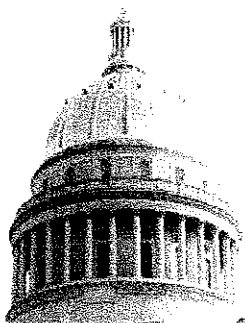


TRAVEL AND ADMINISTRATIVE EXPENSES

Addendum #3 of the RFQ dated 4/20/08 state that separate reimbursement will not be made for travel and administrative expenses. Each vendor is required to note if their submitted hourly rate includes travel expenses.

Our \$119.00 hourly rate does not include any travel or administrative expenses. Arnett & Foster, P.L.L.C. has historically never billed any out-of-pocket expenses to the State in conjunction with the State Hospital contract nor has our hourly rate included a provision for travel-related expenses.





SECTION SIX License Requirements

**WEST VIRGINIA
STATE TAX DEPARTMENT**

WV/BRT-602
Rev. 7/03

BUSINESS REGISTRATION CERTIFICATE
FOR YEAR BEGINNING **JULY 1, 2006**
ENDING **JUNE 30, 2008**

WEST VIRGINIA BUSINESS LOCATION ADDRESS

ARNETT & FOSTER P L L C 010897
DBA ARNETT & FOSTER L C
101 WASHINGTON ST E 25301
CHARLESTON WV

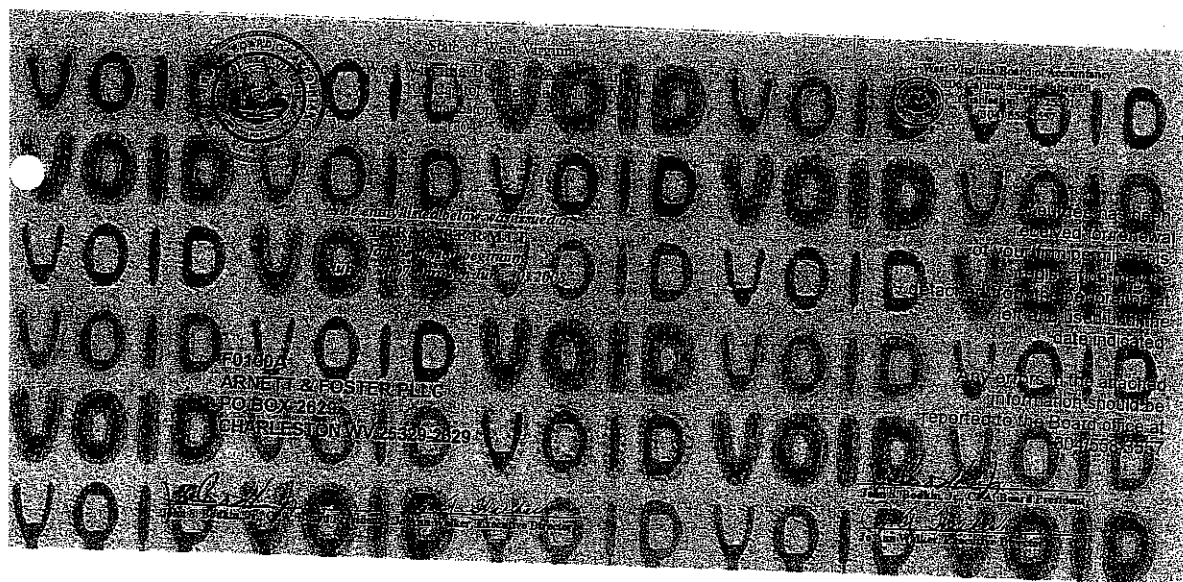
WEST VIRGINIA MAILING ADDRESS

ARNETT & FOSTER P L L C 010897
DBA ARNETT & FOSTER L C
PO BOX 2629
CHARLESTON WV 25329



The State Tax Commissioner, pursuant to the authority vested in him by Chapter 11, Article 12 of the Code of West Virginia, has this day issued a Business Registration Certificate which shall mean you have properly registered with the Department of Tax and Revenue to conduct business within the state of West Virginia for this location.

SEE REVERSE SIDE.





**WORKERS COMPENSATION
AND
EMPLOYERS LIABILITY POLICY**

INFORMATION PAGE WC 00 00 01 (A)

RENEWAL OF POLICY NUMBER: WC10034687-03
POLICY NUMBER: WC10034687-04

INSURER: BRICKSTREET MUTUAL INSURANCE COMPANY

- 1. INSURED:**
ARNETT & FOSTER PLLC
P O BOX 2629
CHARLESTON, WV 25329-0000
- PRODUCER:**
FERRELL & HILL INSURANCE AGENCY LLC
PO BOX 277
MADISON, WV 25130
- Insured is a(n) LLC
- Other work places and identification numbers are shown in the schedule(s) attached.
- 2.** The policy period is from 07/01/2007 to 06/12/2008 12:01 A.M. at the insured's mailing address.
- 3. A. WORKERS COMPENSATION INSURANCE:** Part One of the policy applies to the Workers Compensation Law of the state(s) listed here:
WEST VIRGINIA
- B. EMPLOYERS LIABILITY INSURANCE:** Part Two of the policy applies to work in each state listed in item 3.A. The limits of our liability under Part Two are:
- | | | |
|-----------------------------|-----------|---------------|
| BODILY INJURY BY ACCIDENT : | \$100,000 | EACH ACCIDENT |
| BODILY INJURY BY DISEASE : | \$500,000 | POLICY LIMIT |
| BODILY INJURY BY DISEASE : | \$100,000 | EACH EMPLOYEE |
- C. OTHER STATES INSURANCE:** Part Three of the policy applies to the states, if any, listed here:
See West Virginia Limited Other States Insurance Endorsement WC 99 03 05
- D.** This policy includes these endorsements and schedules:
SEE LIST OF ENDORSEMENTS - EXTENSION OF INFORMATION PAGE
- 4.** The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All required information is subject to verification and change by audit to be made in accordance with Part Five of the Policy.

DATE OF ISSUE: 07/11/2007
ISSUING OFFICE: Charleston, WV
PRODUCER: FERRELL & HILL INSURANCE AGENCY LLC



DECLARATIONS
ACCOUNTANTS PROFESSIONAL LIABILITY POLICY

PRODUCER	BRANCH	PREFIX	POLICY NUMBER
003613	970	APL	128570554

INSURANCE IS PROVIDED BY
CONTINENTAL CASUALTY COMPANY
CNA PLAZA, CHICAGO, IL 60685
A STOCK INSURANCE COMPANY
REFERRED TO AS WE, US, OR OUR.

1. Named Insured and Mailing Address

Arnett & Foster, PLLC
P.O. Box 2629
Charleston, WV 25329-2629

* * * NOTICE * * * * *

THIS IS A CLAIMS-MADE POLICY AND COVERS
ONLY CLAIMS FIRST MADE AGAINST THE INSURED
DURING THE POLICY PERIOD. PLEASE READ
THIS POLICY CAREFULLY AND DISCUSS THE
COVERAGE WITH YOUR INSURANCE AGENT.

2. POLICY PERIOD: FROM: 10/01/07 TO: 10/01/08 at 12:01 A.M. Standard time at your address shown above.

3. PRIOR ACTS DATE: NO PRIOR ACTS DATE LIMITATION APPLIES

4. \$150,000 PROFESSIONAL LIABILITY PER CLAIM/AGGREGATE DEDUCTIBLE

5. LIMITS OF LIABILITY: (INCLUDES CLAIM EXPENSES UNLESS AMENDED BY ENDORSEMENT)

\$5,000,000 PER CLAIM
\$5,000,000 AGGREGATE

6. FOR NON-RENEWAL: 60 days notice will be given you in accordance with policy conditions.

7. PRINTED ENDORSEMENTS ATTACHED AT POLICY ISSUANCE INCLUDE:

G-127136-A(1/03) Policy	G-127151-A Prior Acts Date - Predecessor
G-127137-A(5/00) Declarations Page	GSL7860XX Broad Form Bridge Endorsement
G-127157-A(6/97) Nuclear Energy & Pollution Excl.	
G-127164-A47(6/97) Amend. Termination Provisions - WV	
G-141584-A(6/03) Policyholder Notice	
G300201-A(10/05) WV Civil Justice Reform	
G300202A(10/05) WV Surcharge	
G-127139-A Excl Named Individuals or Entities	
G-127139-A Excl Named Individuals or Entities	

G-127137-A (Ed.5/00)



8.	\$93,580.00	ANNUAL PREMIUM
	\$514.69	STATE SURCHARGE
	\$94,094.69	TOTAL PREMIUM

THIS POLICY IS NOT VALID UNTIL SIGNED BY OUR AUTHORIZED REPRESENTATIVE.

Gary Nelson
Authorized Representative





SECTION SEVEN No Debt Affidavit

RFQ No. BHS80097

15

STATE OF WEST VIRGINIA
Purchasing Division

PURCHASING AFFIDAVIT

West Virginia Code §5A-3-10a states: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate

DEFINITIONS:

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

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

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

LICENSING: Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agencies or political subdivision. Furthermore, the vendor must provide all necessary releases to obtain information to enable the Director or spending unit to verify that the vendor is licensed and in good standing with the above entities.

CONFIDENTIALITY: The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures and rules. Vendors should visit www.state.wv.us/admin/purchase/privacy for the Notice of Agency Confidentiality Policies.

Under penalty of law for false swearing (West Virginia Code, §61-5-3), it is hereby certified that the vendor acknowledges the information in this said affidavit and are in compliance with the requirements as stated.

Vendor's Name: Arnett & Foster
Authorized Signature: [Signature] Date: 4/30/08

Purchasing Affidavit (Revised 06/15/07)





SECTION EIGHT HIPAA Compliance

Arnett & Foster PLLC has reviewed the West Virginia State Government HIPAA Business Associate Addendum (BBA). A copy of the BBA is attached. Arnett & Foster P.L.L.C. understands the need to ensure the confidentiality and security of protected health information.



HIPAA Business Associate Addendum

The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available below. The BAA is in PDF format. Use your free [Adobe Reader \(TM\)](#) to view and print the document.

- West Virginia State Government HIPAA Business Associate Addendum

[Return to VRC - OR - The Main Purchasing Page](#)



WV STATE GOVERNMENT**HIPAA BUSINESS ASSOCIATE ADDENDUM**

This Health Insurance Portability and Accountability Act of 1996 (hereafter, HIPAA) Business Associate Addendum ("Addendum") is made a part of the Agreement ("Agreement") by and between the State of West Virginia ("Agency"), and Business Associate ("Associate"), and is effective on the date of execution of a binding agreement with the Agency.

Whereas it is desirable, in order to further the continued efficient operations of Agency to disclose to its Associate certain information which may contain confidential individually identifiable health information (hereafter, Protected Health Information or PHI); and

Whereas, it is the desire of both parties that the confidentiality of the PHI disclosed hereunder be maintained and treated in accordance with all applicable laws relating to confidentiality, including the Privacy and Security Rules, and the parties do agree to at all times treat the PHI and interpret this Addendum consistent with that desire.

NOW THEREFORE; the parties agree that in consideration of the mutual promises herein, in the Agreement; and of the exchange of PHI hereunder that:

1. Definitions.

a. Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms in the Privacy and Security Rules.

b. **Privacy Rule.** Privacy Rule means the Standards for Privacy of Individually Identifiable Health Information found at 45 CFR Parts 160 and Part 164, Subparts A and E, as amended.

c. **Security Rule.** Security Rule means the Standards for the security of electronic protected health information found at 45 CFR Part 164, Subpart C, as amended.

d. **Security Incident.** Any known successful or unsuccessful attempt by an authorized or unauthorized individual to inappropriately use, disclose, modify, access, or destroy any information.

2. PHI Disclosed; Permitted Uses.

a. **PHI Described.** PHI disclosed by the Agency to the Associate, PHI created by the Associate on behalf of the Agency, and PHI received by the Associate from a third party on behalf of the Agency are disclosable under this Addendum. The disclosable PHI is limited to the minimum necessary to complete the tasks, or to provide the services, associated with the terms of the original agreement.

b. **Purposes.** Except as otherwise limited in this Addendum, Associate may use or disclose the PHI on behalf of, or to provide services to, Agency for the purposes necessary to complete the tasks, or provide the services, associated with, and required by the terms of the original agreement, if such use or disclosure of the PHI would not violate the Privacy or Security Rules or applicable state law if done by Agency or violate the minimum necessary policies and procedures of the Agency.



3. Obligations of Associate.

a. Stated Purposes Only. The PHI may not be used by the Associate for any purpose other than stated in this Addendum or as required or permitted by law.

b. Limited Disclosure. The PHI is confidential and will not be disclosed by the associate other than as stated in this Addendum or as required or permitted by law.

c. Safeguards. The Associate will use appropriate safeguards to prevent use or disclosure of the PHI except as provided for in this Addendum. This shall include, but not be limited to:

(i) Limitation of the groups of its employees or agents to whom the PHI is disclosed to those reasonably required to accomplish the purposes stated in this Addendum, and the use and disclosure of the minimum PHI necessary;

(ii) Appropriate notification and training of its employees or agents to whom the PHI will be disclosed in order to protect the PHI from unauthorized disclosure;

(iii) Maintenance of a comprehensive written PHI privacy and security program that includes administrative, technical and physical safeguards appropriate to the size, nature, scope and complexity of the Associate's operations.

d. Compliance With Law. The Associate will not use or disclose the PHI in a manner in violation of existing law and specifically not in violation of laws relating to confidentiality of PHI, including but not limited to, the Privacy and Security Rules.

e. Mitigation. Associate agrees to mitigate, to the extent practicable, any harmful effect that is known to Associate of a use or disclosure of the PHI by Associate in violation of the requirements of this Addendum.

f. Documentation. Associate agrees to document disclosures of the PHI and information related to such disclosures as would be required for Agency to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §§ 164.528 and 164.316. This should include a process that allows for an accounting to be collected and maintained by Associate and its agents or subcontractors for at least six (6) years from the date of disclosure, or longer if required by state law. At a minimum, such documentation shall include:

- (i) the date of disclosure;
- (ii) the name of the entity or person who received the PHI, and if known, the address of the entity or person;
- (iii) a brief description of the PHI disclosed; and
- (iv) a brief statement of purposes of the disclosure that reasonably informs the Individual of the basis for the disclosure, or a copy of the Individual's authorization, or a copy of the written request for disclosure.

g. Accounting Rights. Within ten (10) days of notice of a request for an accounting of disclosures of the PHI, Associate and its agents or subcontractors shall make available to Agency the documentation required to provide an accounting of disclosures to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR §164.528.



h. Access to PHI. Associate shall make the PHI maintained by Associate or its agents or subcontractors in Designated Record Sets available to Agency for inspection and copying within ten (10) days of a request by Agency to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524.

i. Amendment of PHI. Within ten (10) days of receipt of a request from Agency for an amendment of the PHI or a record about an individual contained in a Designated Record Set, Associate or its agents or subcontractors shall make such PHI available to Agency for amendment and incorporate any such amendment to enable Agency to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.526.

j. Retention of PHI. Notwithstanding section 4.a. of this Addendum, Associate and its subcontractors or agents shall retain all PHI pursuant to state and federal law and shall continue to maintain the PHI required under Section 3.f. of this Addendum for a period of six (6) years after termination of the Agreement, or longer if required under state law.

k. Agents, Subcontractors Compliance. The Associate will ensure that any of its agents, including any subcontractors, to whom it provides any of the PHI it receives hereunder, or to whom it provides any PHI which the Associate creates or receives on behalf of the Agency, agree to the restrictions and conditions which apply to the Associate hereunder.

l. Amendments. The Associate shall make available to the specific Individual to whom it applies any PHI; make such PHI available for amendment; and make available the PHI required to provide an accounting of disclosures, all to the extent required by 45 CFR §§ 164.524, 164.526, and 164.528 respectively.

m. Federal Access. The Associate shall make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by the Associate on behalf of the Agency available to the U.S. Secretary of Health and Human Services consistent with 45 CFR § 164.504.

n. Security. The Associate shall take all steps necessary to ensure the continuous security of all PHI and data systems containing PHI, and provide data security procedures for the use of the Agency at the end of the contract period. These steps shall include, at a minimum, the requirements contained in the West Virginia Office of Technology Policy No. WVOT-PO1001 (1-18-07) which may be found at: http://www.state.wv.us/ot/PDF/Document_center/SecurityPol0107.pdf

o. Notification of Breach. During the term of this Agreement:

i. The Associate shall notify the Agency immediately by telephone call plus e-mail or fax upon the discovery of breach of security of PHI, where the use or disclosure is not provided for by this addendum of which it becomes aware, if the PHI was, or is reasonably believed to have been, acquired by an unauthorized person; or within 24 hours by e-mail or fax of any suspected security incident, intrusion or unauthorized use or disclosure of PHI in violation of this Agreement and this Addendum, or potential loss of confidential data affecting this Agreement. Notification shall be provided to the Agency contract manager (see www.state.wv.us/admin/purchase/vrc/agencyli.htm) and the Office of Technology Help Desk at (304) 558.9966; (877) 558.9966 (Toll Free); or servicedesk@wv.gov.

ii. The Associate shall immediately investigate such security incident, breach, or unauthorized use or disclosure of PHI or confidential data. Within 72 hours of the discovery, the Associate shall notify the Agency contract manager, and the Office of Technology Help Desk of: (a) What data elements were involved and the extent of the data involved in the



breach; (b) A description of the unauthorized persons known or reasonably believed to have improperly used or disclosed PHI or confidential data; (c) A description of where the PHI or confidential data is believed to have been improperly transmitted, sent, or utilized; (d) A description of the probable causes of the improper use or disclosure; and (e) Whether any federal or state laws requiring individual notifications of breaches are triggered.

iii. All associated costs shall be borne by the Associate. This may include, but not be limited to costs' associated with notifying affected individuals.

p. Assistance in Litigation or Administrative Proceedings. The Associate shall make itself and any subcontractors, employees or agents assisting Associate in the performance of its obligations under this Agreement, available to the Agency at no cost to the Agency to testify as witnesses, or otherwise, in the event of litigation or administrative proceedings being commenced against the Agency, its officers or employees based upon claimed violations of HIPAA, the HIPAA regulations or other laws relating to security and privacy, which involves inactions or actions by the Associate, except where Associate or its subcontractor, employee or agent is a named adverse party.

4. Termination.

a. Duties at Termination. Upon any termination of the underlying agreement, if feasible, the Associate shall return or destroy all PHI received from, or created or received by the Associate on behalf of the Agency that the Associate still maintains in any form and retain no copies of such PHI or, if such return or destruction is not feasible, the Associate shall extend the protections of this Addendum to the PHI and limit further uses and disclosures to the purposes that make the return or destruction of the PHI infeasible. This shall also apply to all agents and subcontractors of Associate. The duty of the Associate and its agents and subcontractors to assist the Agency with any HIPAA required accounting of disclosures survives the termination of the underlying agreement.

b. Termination For Cause. Agency may terminate the underlying agreement if at any time it determines that the Associate has violated a material term of the agreement or this Addendum. Agency may, at its sole discretion, allow Associate a reasonable period of time to cure the material breach before termination.

c. Judicial or Administrative Proceedings. The Agency may terminate this Agreement if the Associate is found guilty of a criminal violation of HIPAA. The Agency may terminate this Agreement if a finding or stipulation that the Associate has violated any standard or requirement of HIPAA, or other security or privacy laws is made in any administrative or civil proceeding in which the Associate is a party or has been joined.

d. Survival. The respective rights and obligations of Associate under Section 3.j. and 3.o. of this Addendum shall survive the termination of the underlying agreement.

5. General Provisions/Ownership of PHI.

a. Retention of Ownership. Ownership of the PHI resides with the Agency and is to be returned on demand.

b. Secondary PHI. Any data or PHI generated from the PHI disclosed hereunder which would permit identification of an Individual must be held confidential and is also the property of Agency.



c. Electronic Transmission. Except as permitted by law or this Addendum, the PHI or any data generated from the PHI which would permit identification of an Individual must not be transmitted to another party by electronic or other means for additional uses not authorized by this Addendum or to another contractor, or allied agency, or affiliate without prior written approval of Agency.

d. No Sales. Reports or data containing the PHI may not be sold without Agency's or the affected Individual's written consent.

e. No Third-Party Beneficiaries. Nothing express or implied in this Addendum is intended to confer, nor shall anything herein confer, upon any person other than Agency, Associate and their respective successors or assigns, any rights remedies, obligations or liabilities whatsoever.

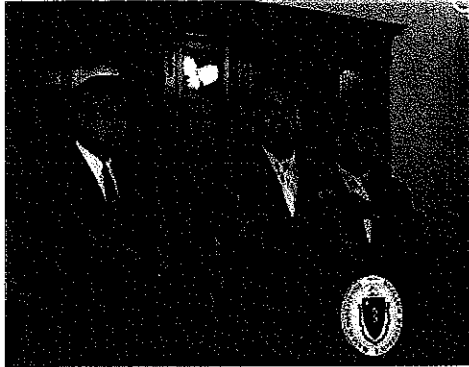
f. Interpretation. The provisions of this Addendum shall prevail over any provisions in the Agreement that may conflict or appear inconsistent with any provisions in this Addendum. The interpretation of this Addendum shall be made under the laws of the state of West Virginia.

g. Amendment. The parties agree that to the extent necessary to comply with applicable law they will agree to further amend this Addendum.

h. Additional Terms and Conditions. Additional discretionary terms may be included in the release order or change order process.

APPROVED AS TO FORM THIS 20~~th~~
DAY OF December, 2007
DARRELL V. McGRAW, JR.
ATTORNEY GENERAL
BY: *Lawrence Wayfield*
DEPUTY ATTORNEY GENERAL





SECTION NINE Debarment Statement

Arnett & Foster, P.L.L.C. certifies that no entity, agency or person associated with Arnett & Foster, P.L.L.C. is debarred or suspended at submission of the current bid.



**West Virginia Department of Health & Human Resources
FEDERAL PROGRAM PARTICIPATION ACKNOWLEDGMENT,
AUTHORIZATION, CONSENT, AND RELEASE**

16

No person who is currently excluded, debarred, suspended, or otherwise ineligible to participate in federal health care programs or in federal procurement or non-procurement programs shall be hired by the West Virginia Department of Health and Human Resources.

I am am not currently excluded, debarred, suspended, or otherwise ineligible to participate in federal health care programs or in federal procurement or non-procurement programs.

Greg Gibbs
Signature

4/30/08
Date

I authorize and consent to a background check by the West Virginia Department of Health and Human Resources specifically to determine whether I am currently excluded, debarred, suspended, or otherwise ineligible to participate in federal health care programs or in federal procurement or non-procurement programs. If hired, I also agree to periodic conduct of additional such background checks during the course of employment by the West Virginia Department of Health and Human Resources.

I release any persons and the West Virginia Department of Health and Human Resources and its agents, officials, representatives, employees, officers, or related personnel both individually and collectively, from any and all liability for damages of any kind that may result because of compliance with this acknowledgment and authorization.

For positive identification purposes, the following information is required when conducting a background check. This information is confidential and will not be used for any other purposes (please print):

Name Gibbs Charles G
last name first name middle initial

Maiden/Other Names
(This should include other married names by which you have been known.)

Current Address #3 Greenbrier Ave Hurricane WV
street/box# city state

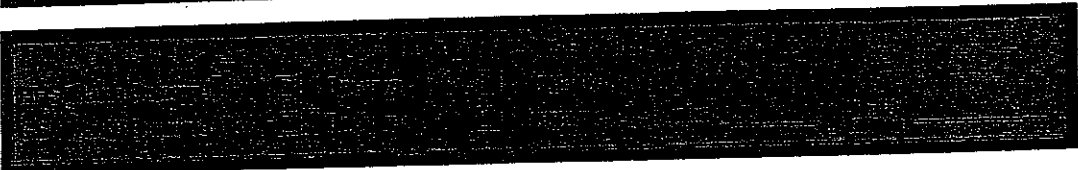
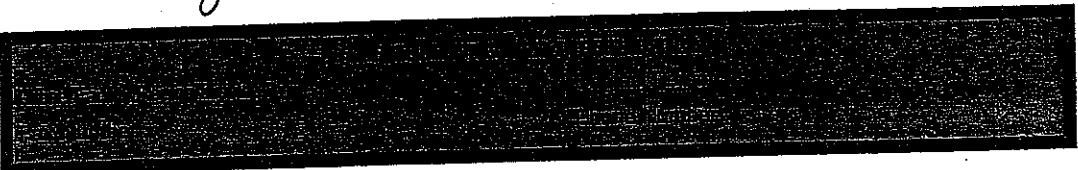
NOTE: Your social security card must be presented for verification purposes.

Social Security # 232-92 9511 Date of Birth 11/1/55
month/day/year

Driver's License Number C276405 State of Issue WV

Greg Gibbs
Signature

4/30/08
Date





SECTION TEN Vendor Preference Certificate

Request for Quotation

RFQ # BHS 80097





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

**Request for
 Quotation**

RFQ NUMBER
 BHS80097

PAGE
 1

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

*709041713 304-346-0441
 ARNETT & FOSTER PLLC
 PO BOX 2629

CHARLESTON WV 25329

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

PROPERTY

SHIP TO

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
02/27/2008				
BID OPENING DATE: 04/08/2008		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	JB		961-20		
<p>***** BID BOND REQUIRED WITH BID SUBMISSION ***** MANDATORY PRE-BID MEETING 3/19/2008 AT 10:00 AM DIAMOND BUILDING 350 CAPITOL STREET CHARLESTON, WV 25301-3702 NO PERSON MAY REPRESENT MORE THAN ONE VENDOR. *****</p> <p>PROFESSIONAL ACCOUNTING & FINANCIAL MGMT. SERVICES</p> <p>TO PROVIDE ACCOUNTING AND FINANCIAL MANAGEMENT SERVICES TO MILDRED MITCHELL-BATEMAN HOSPITAL, WILLIAM R. SHARPE, JR. HOSPITAL, AND WELCH COMMUNITY HOSPITAL WITHIN THE WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES, BUREAU FOR BEHAVIORAL HEALTH AND HEALTH FACILITIES. SEE ATTACHED SPECIFICATIONS.</p> <p>A MANDATORY PRE-BID MEETING WILL BE HELD ON MARCH 19, 2008, AT 10:00 A.M. AT 350 CAPITOL STREET, CHARLESTON, WEST VIRGINIA. FAILURE TO ATTEND THE PRE-BID MEETING WILL RESULT IN BID DISQUALIFICATION.</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE *Greg Galt* TELEPHONE 304-346-0411 DATE May 1, 2008

TITLE Member FEIN 55-0486667 ADDRESS CHANGES TO BE NOTED ABOVE

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



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

Request for Quotation

RFQ NUMBER
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 2

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 304-558-0067

*709041713 304-346-0441

ARNETT & FOSTER PLLC
 PO BOX 2629

CHARLESTON WV 25329

PURCHASER

SHIP TO

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

DATE PRINTED 02/27/2008	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
BID OPENING DATE: 04/08/2008		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
EXHIBIT 3						
LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE ON AND EXTENDS FOR A PERIOD OF ONE (1) YEAR OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.						
UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.						
RENEWAL: THIS CONTRACT MAY BE RENEWED UPON THE MUTUAL WRITTEN CONSENT OF THE SPENDING UNIT AND VENDOR, SUBMITTED TO THE DIRECTOR OF PURCHASING THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE. SUCH RENEWAL SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND SHALL BE LIMITED TO TWO (2) ONE (1) YEAR PERIODS.						
CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE 304-346-0441	DATE May 1, 2008
TITLE Member	FEIN 55-0486667	ADDRESS CHANGES TO BE NOTED ABOVE

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



State of West Virginia
 Department of Administration
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 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER BHS80097

PAGE 3

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--

*709041713 304-346-0441

ARNETT & FOSTER PLLC
 PO BOX 2629

CHARLESTON WV 25329

VENDOR

SHIP TO

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

DATE PRINTED 02/27/2008	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
BID OPENING DATE: 04/08/2008		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THIS CONTRACT IS AUTOMATICALLY NULL AND VOID, AND IS TERMINATED WITHOUT FURTHER ORDER.</p> <p>INQUIRIES: WRITTEN QUESTIONS SHALL BE ACCEPTED THROUGH CLOSE OF BUSINESS ON 3/21/2008. QUESTIONS MAY BE SENT VIA USPS, FAX, COURIER OR E-MAIL. IN ORDER TO ASSURE NO VENDOR RECEIVES AN UNFAIR ADVANTAGE, NO SUBSTANTIVE QUESTIONS WILL BE ANSWERED ORALLY. IF POSSIBLE, E-MAIL QUESTIONS ARE PREFERRED. ADDRESS INQUIRIES TO:</p> <p>ROBERTA WAGNER DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION 2019 WASHINGTON STREET, EAST CHARLESTON, WV 25311</p> <p>FAX: 304-558-4115 E-MAIL: ROBERTA.A.WAGNER@WV.GOV</p> <p style="text-align: center;">VENDOR PREFERENCE CERTIFICATE</p> <p>CERTIFICATION AND APPLICATION* IS HEREBY MADE FOR PREFERENCE IN ACCORDANCE WITH WEST VIRGINIA CODE, 5A-3-37 (DOES NOT APPLY TO CONSTRUCTION CONTRACTS).</p> <p>A. APPLICATION IS MADE FOR 2.5% PREFERENCE FOR THE REASON CHECKED:</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE 304-346-0441	DATE May 1, 2008
TITLE Member	FERN 55-0486667	ADDRESS CHANGES TO BE NOTED ABOVE

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



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

Request for Quotation

RFQ NUMBER
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VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

VENDOR

SHIP TO

DATE PRINTED 02/27/2008	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
BID OPENING DATE: 04/08/2008		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>() BIDDER IS AN INDIVIDUAL RESIDENT VENDOR AND HAS RESIDED CONTINUOUSLY IN WEST VIRGINIA FOR FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION; OR</p> <p><input checked="" type="checkbox"/> BIDDER IS A PARTNERSHIP, ASSOCIATION OR CORPORATION RESIDENT VENDOR AND HAS MAINTAINED ITS HEAD-QUARTERS OR PRINCIPAL PLACE OF BUSINESS CONTINUOUSLY IN WEST VIRGINIA FOR FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION; OR 80% OF THE OWNERSHIP INTEREST OF BIDDER IS HELD BY ANOTHER INDIVIDUAL, PARTNERSHIP, ASSOCIATION OR CORPORATION RESIDENT VENDOR WHO HAS MAINTAINED ITS HEADQUARTERS OR PRINCIPAL PLACE OF BUSINESS CONTINUOUSLY IN WEST VIRGINIA FOR FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION; OR</p> <p>() BIDDER IS A CORPORATION NONRESIDENT VENDOR WHICH HAS AN AFFILIATE OR SUBSIDIARY WHICH EMPLOYS A MINIMUM OF ONE HUNDRED STATE RESIDENTS AND WHICH HAS MAINTAINED ITS HEADQUARTERS OR PRINCIPAL PLACE OF BUSINESS WITHIN WEST VIRGINIA CONTINUOUSLY FOR THE FOUR (4) YEARS IMMEDIATELY PRECEDING THE DATE OF THIS CERTIFICATION.</p> <p>B. APPLICATION IS MADE FOR 2.5% PREFERENCE FOR THE REASON CHECKED:</p> <p><input checked="" type="checkbox"/> BIDDER IS A RESIDENT VENDOR WHO CERTIFIES THAT, DURING THE LIFE OF THE CONTRACT, ON AVERAGE AT LEAST 75% OF THE EMPLOYEES WORKING ON THE PROJECT BEING BID ARE RESIDENTS OF WEST VIRGINIA WHO HAVE RESIDED IN THE STATE CONTINUOUSLY FOR THE TWO YEARS IMMEDIATELY PRECEDING SUBMISSION OF THIS BID; OR</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE 304-346-0441	DATE May 1, 2008
TITLE Member	FERN 55-0486667	ADDRESS CHANGES TO BE NOTED ABOVE

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



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

Request for Quotation

RFQ NUMBER
 BHS80097

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 5

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

*709041713 304-346-0441
 ARNETT & FOSTER PLLC
 PO BOX 2629

CHARLESTON WV 25329

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

PROPERTY

SHIP TO

DATE PRINTED 02/27/2008	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
BID OPENING DATE: 04/08/2008			BID OPENING TIME 01:30PM	

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>() BIDDER IS A NONRESIDENT VENDOR EMPLOYING A MINIMUM OF ONE HUNDRED STATE RESIDENTS OR IS A NONRESIDENT VENDOR WITH AN AFFILIATE OR SUBSIDIARY WHICH MAINTAINS ITS HEADQUARTERS OR PRINCIPAL PLACE OF BUSINESS WITHIN WEST VIRGINIA EMPLOYING A MINIMUM OF ONE HUNDRED STATE RESIDENTS WHO CERTIFIES THAT, DURING THE LIFE OF THE CONTRACT, ON AVERAGE AT LEAST 75% OF THE EMPLOYEES OR BIDDERS' AFFILIATE'S OR SUBSIDIARY'S EMPLOYEES ARE RESIDENTS OF WEST VIRGINIA WHO HAVE RESIDED IN THE STATE CONTINUOUSLY FOR THE TWO YEARS IMMEDIATELY PRECEDING SUBMISSION OF THIS BID.</p> <p>BIDDER UNDERSTANDS IF THE SECRETARY OF TAX & REVENUE DETERMINES THAT A BIDDER RECEIVING PREFERENCE HAS FAILED TO CONTINUE TO MEET THE REQUIREMENTS FOR SUCH PREFERENCE, THE SECRETARY MAY ORDER THE DIRECTOR OF PURCHASING TO: (A) RESCIND THE CONTRACT OR PURCHASE ORDER ISSUED; OR (B) ASSESS A PENALTY AGAINST SUCH BIDDER IN AN AMOUNT NOT TO EXCEED 5% OF THE BID AMOUNT AND THAT SUCH PENALTY WILL BE PAID TO THE CONTRACTING AGENCY OR DEDUCTED FROM ANY UNPAID BALANCE ON THE CONTRACT OR PURCHASE ORDER.</p> <p>BY SUBMISSION OF THIS CERTIFICATE, BIDDER AGREES TO DISCLOSE ANY REASONABLY REQUESTED INFORMATION TO THE PURCHASING DIVISION AND AUTHORIZES THE DEPARTMENT OF TAX AND REVENUE TO DISCLOSE TO THE DIRECTOR OF PURCHASING APPROPRIATE INFORMATION VERIFYING THAT BIDDER HAS PAID THE REQUIRED BUSINESS TAXES, PROVIDED THAT SUCH INFORMATION DOES NOT CONTAIN THE AMOUNTS OF TAXES PAID NOR ANY OTHER INFORMATION DEEMED BY THE TAX COMMISSIONER TO BE CONFIDENTIAL.</p> <p>UNDER PENALTY OF LAW FOR FALSE SWEARING (WEST VIRGINIA CODE 61-5-3), BIDDER HEREBY CERTIFIES THAT THIS CERTIFICATE IS TRUE AND ACCURATE IN ALL RESPECTS; AND</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE 304-346-0441	DATE May 1, 2008
TITLE Member	FBN 55-0486667	ADDRESS CHANGES TO BE NOTED ABOVE

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



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

Request for Quotation

RFO NUMBER
 BHS80097

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

*709041713 304-346-0441

ARNETT & FOSTER PLLC
 PO BOX 2629

CHARLESTON WV 25329

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

VENDOR

SHIP TO

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
02/27/2008				
BID OPENING DATE: 04/08/2008		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>THAT IF A CONTRACT IS ISSUED TO BIDDER AND IF ANYTHING CONTAINED WITHIN THIS CERTIFICATE CHANGES DURING THE TERM OF THE CONTRACT, BIDDER WILL NOTIFY THE PURCHASING DIVISION IN WRITING IMMEDIATELY.</p> <p>BIDDER: Arnett & Foster, PLLC</p> <p>DATE: May 1, 2008</p> <p>SIGNED: <i>Greg Galt</i></p> <p>TITLE: Member</p> <p>* CHECK ANY COMBINATION OF PREFERENCE CONSIDERATION(S) IN EITHER "A" OR "B", OR BOTH "A" AND "B" WHICH YOU ARE ENTITLED TO RECEIVE. YOU MAY REQUEST UP TO THE MAXIMUM 5% PREFERENCE FOR BOTH "A" AND "B". (REV. 12/00)</p> <p>NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p> <p>DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION BUILDING 15 2019 WASHINGTON STREET, EAST CHARLESTON, WV 25305-0130</p> <p>PLEASE NOTE: A CONVENIENCE COPY WOULD BE APPRECIATED.</p> <p>THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS			
SIGNATURE <i>Greg Galt</i>	TELEPHONE 304-346-0441	DATE May 1, 2008	
TITLE Member	FEIN 55-0486667	ADDRESS CHANGES TO BE NOTED ABOVE	

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



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

Request for Quotation

RFQ NUMBER
 BHS80097

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

*709041713 304-346-0441

ARNETT & FOSTER PLLC
 PO BOX 2629

CHARLESTON WV 25329

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

BIDDING

SHIPTO

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
02/27/2008				
BID OPENING DATE: 04/08/2008		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED: SEALED BID						
BUYER:-----RW/FILE 22-----						
RFQ. NO.:-----BHS80097-----						
BID OPENING DATE:-----4/8/2008-----						
BID OPENING TIME:-----1:30 PM-----						
PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID: Fax #: 304-346-8333						
CONTACT PERSON (PLEASE PRINT CLEARLY): Greg Gibbs						
***** THIS IS THE END OF RFQ BHS80097 ***** TOTAL:						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE _____ TELEPHONE 304-346-0441 DATE May 1, 2008

TITLE Member FEIN 55-0486667 ADDRESS CHANGES TO BE NOTED ABOVE

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

2.2 Services to be provided: Mandatory

Vendor will be responsible for providing professional accounting and financial management services to include, but not be limited to the following services:

- A. Provide ongoing consulting to the Hospitals related to their accounting functions involving monthly, quarterly, and yearly analysis of financial statements, general ledger, and supporting subsidiary ledgers as requested by the Chief Financial Officer (CFO).
- B. Assist hospital business office and accounting personnel to develop the data necessary for the vendor to complete Federal and State regulatory reports.
- C. Provide technical support in the billing and collection process as requested by the Chief Financial Officer.
- D. Provide a financial records review to the Chief Financial Officer as requested, which will be at least on a quarterly basis.
- E. Provide reimbursement regulation research and respond to the Chief Financial Officer as requested.
- F. Prepare all Medicare (HCFA 2552) Cost Reports, Provider Cost Report Reimbursement Questionnaires (HCFA 339) and supporting documentation, which are due during the contract period. These reports are to be submitted prior to the deadline established by HCFA.
- G. Prepare all Health Care Authority (HCA) Reports which are due during the contract period. All reports are to be submitted prior to the deadline established by HCA.
- H. Vendor shall review and update fee schedules throughout the contract period as requested by the Chief Financial Officer, which will be at least quarterly.
- I. Prepare all disproportionate share calculations as requested by the CFO, which shall be at least once a year.

3.0 SPECIAL TERMS AND CONDITIONS

3.1 Bid and Performance Bonds

All vendors are required to submit a Bid Bond in the amount of 5% of the vendor's bid. The Bid Bond must be submitted with the vendor's bid. The State will accept in lieu of a formal bid bond a certified check, cashiers check, or irrevocable letter of credit. All checks must be made payable to the State of West Virginia Purchasing Division. Failure to provide a bid bond will result in disqualification of the bid.

The successful vendor will be required to furnish a Performance Bond in the amount of 100% of the vendor bid submitted. A performance bond may be in the form of a policy or certificate issued by a surety company recognized as doing business in the State of West Virginia. The bond must be submitted on a form available from the Purchasing Division. A certified check or cashiers check made payable to the State of West Virginia may be accepted in lieu of the policy or certificate issued by the surety company. A Performance Bond is not required until requested by the Purchasing Division.

The Performance Bond is forfeited to the State if the vendor defaults in the performance of a purchase order after the order had been issued and work begun.

3.2 Insurance Requirements

The vendor, as an independent contractor, is solely liable for the acts and omissions of its employees and agents. Proof of insurance shall be provided by the vendor at the time the contract is awarded. The vendor shall maintain and furnish proof of coverage of liability insurance for loss, damage, or injury (including death) of third parties arising from acts and omissions on the part of the vendor, its agents and employees in the following amounts:

- For bodily injury (including death): Minimum of \$500,000.00 per person, and \$1,000,000.00 per occurrence.
- For property damage and professional liability: Minimum of \$1,000,000.00 per occurrence.

3.3 License Requirements

The successful Vendor must present evidence of certification or licensure With the West Virginia Workers Compensation and Unemployment Funds, a copy of its W. Va. Business Certificate and any other licenses it may be required to hold by the nature of its operation.

4.0 GENERAL TERMS AND CONDITIONS

4.1 Conflict of Interest

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

4.2 Prohibition Against Gratuities

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

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

4.3 Certifications Related to Lobbying

Vendor certifies that no federal appropriated funds have been paid or will be paid, by or on behalf of the company or an employee thereof to any person for purposes of influencing or attempting to influence an officer or employee of any Federal entity, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress

in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

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

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

4.4 Vendor Relationship

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

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

Vendor shall be exclusively responsible for the payment to his/her employees and contractors of all wages and salaries, taxes, withholding payments, penalties, fees, fringe benefits, professional liability insurance premiums, contributions to insurance and pension or other deferred compensation plans, including but not limited to Workers' Compensation and Social Security obligations, and licensing fees, etc. and the filing of all necessary documents, forms and returns pertinent to all of the foregoing.

Vendor shall hold harmless the State, and shall provide the State and Agency with a defense against any and all claims including but not limited to the foregoing payments, withholdings, contributions, taxes, social security taxes and employer income tax returns.

The Vendor shall not assign, convey, transfer or delegate any of its responsibilities and obligations under this contract to any person, corporation, partnership, association or entity without expressed written consent of the Agency.

4.5 Indemnification

The Vendor agrees to indemnify, defend and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any sub contractor, person or firm performing or supplying services, materials or supplies in connection with the performance of the contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers,

employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use or disposition of any data used under the contract in a manner not authorized by the contract, or by Federal or State statutes or regulations; (3) Any failure of the Vendor, its officers, employees or subcontractors to observe State and Federal laws, including but not limited to labor and wage laws.

4.6 Governing Law

This contract shall be governed by the laws of the State of West Virginia. The Vendor further agrees to comply with the Civil Rights Act of 1964 and all other applicable laws (Federal, State and local Government) regulations.

4.7 Compliance with Laws and Regulations

The contractor shall procure all necessary permits and licenses to comply with all applicable laws, Federal, State or municipal, along with all regulations, and ordinances of any regulating body.

The Vendor shall pay any applicable sales, use, or personal property taxes arising out of this contract and the transactions contemplated thereby. Any other taxes levied upon this contract, the transaction, or the equipment, or services delivered pursuant here to shall be borne by the contractor. It is clearly understood that the State of West Virginia is exempt from any taxes regarding performance of the scope of work of this contract,

4.8 Subcontracts/Joint Ventures

The Vendor is solely responsible for all work performed under the contract and shall assume prime contractor responsibility for all services offered and products to be delivered under the terms of this contract. The State will consider the Vendor to be the sole point of contact with regard to all contractual matters. The Vendor may, with the prior written consent of the State, enter into written subcontracts for performance of work under this contract; however, the vendor is totally responsible for payment of the subcontractors.

4.9 Non-Appropriation of Funds

If the Agency is not allotted funds in any succeeding fiscal year for the continued use of the service covered by this contract by the West Virginia Legislature, the Agency may terminate the contract at the end of the affected current fiscal period without further charge or penalty. The Agency shall give the vendor written notice of such non-allocation of funds as soon as possible after the Agency receives notice. No penalty shall accrue to the Agency in the event this provision is exercised.

4.10 Changes

Any change in Federal or State law, or court actions which constitute binding precedent in West Virginia, and which significantly alters the Vendor's required activities or any change in the availability of funds, shall be viewed as binding and shall warrant good faith renegotiation of the compensation paid to the Vendor by the Agency and of such other provisions of the contract that are affected. If such renegotiation proves unsuccessful, the contract may be terminated by the State upon written notice to the Vendor at least thirty (30) days prior to termination of this contract.

As soon as possible after receipt of a written change request from the Agency, but in no event more than thirty (30) days thereafter, the Vendor shall determine if there is an

impact on price with the change requested and provide the Agency a written statement to identify any price impact on the contract or to state that there is no impact. In the event that price will be impacted by the change, the Vendor shall provide a description of the price increase or decrease involved in implementing the requested change.

4.11 Invoices and Progress Payments

The Vendor shall submit invoices, in arrears, to the Facility at the address on the face of the purchase order labeled "Invoice To" pursuant to the terms of the contract. Invoices may not be submitted more than once monthly and State law forbids payment of invoices prior to receipt of services.

4.12 Record Retention (Access and Confidentiality)

Vendor shall comply with all applicable Federal and State of West Virginia rules and regulations, and requirements governing the maintenance of documentation to verify any cost of services or commodities rendered under this contract by Vendor. The Vendor shall maintain such records a minimum of five (5) years and make available all records to Agency personnel at Vendor's location during normal business hours upon written request by Agency within 10 days after receipt of the request.

Vendor shall have access to private and confidential data maintained by Agency to the extent required for Vendor to carry out the duties and responsibilities defined in this contract. Vendor agrees to maintain confidentiality and security of the data made available and shall indemnify and hold harmless the State and Agency against any and all claims brought by any party attributed to actions of breach of confidentiality by the Vendor, subcontractors, or individuals permitted access by Vendor.

4.13 HIPAA Agreement

The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of this agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CRP § 160.103) and will be disclosing Protected Health Information (45 CFR § 160.103) to the vendor.

4.14 Debarment and Suspension:

Vendor will not be considered if debarred or suspended. Successful vendor must certify that no entity, agency or person associated with the vendor is debarred or suspended.

4.15 Drug Free Workplace Act of 1988:

Successful vendor will provide a drug free workplace, and an individual shall not engage in the unlawful manufacture, distribution, dispensation, possession, abuse or use of a controlled substance in the performance of the Contract.

PRICE QUOTATIONS

The price(s) quoted in the vendor's Quotation will not be subject to any increase and will be considered firm for the life of the contract.

Pricing shall be all inclusive for the services provided on this contract. Any travel or other expenses associated in providing the services shall be included in the pricing quoted for the services. Vendor will quote an annual fee and will be paid on a monthly basis, in arrears, for all services provided for the preceding month, not to exceed the annual amount quoted.

This contract will be for a one year period with the option of two (2), one (1) year renewals.

Basis of Award:

The vendor, who meets all of the mandatory requirements for experience, and submits the lowest grand total cost bid for the first year, will be awarded the contract.

PRICE QUOTATION

Not to Exceed Total All-inclusive fee for Accounting and Financial Management Services is	
Year 1.....	\$ <u>398,650</u>
Year 2.....	\$ _____
Year 3.....	\$ _____
Total.....	\$ _____

See "Addendum #3" for the revision of the RFQ from a set price to an "open-end" blanket contract (hourly rate)

Vendor must provide documentation to demonstrate the following mandatory requirements:

- be an established Certified Public Accounting Firm with ten(10) years experience and registered with the State of West Virginia.
- have at least five (8) years healthcare consulting experience.
- have at least three (3) years experience in 339 reporting.
- have at least five (5) years experience Health Care Authority (HCA) reporting, including quarterly CBM-9 reports.
- have at least five (5) years experience in reimbursement regulation research.
- have at least five (5) years experience related to rate regulation.

Vendor: Arnett & Foster

Date: 4/30/08



SECTION ELEVEN Addendums

ADDENDUM #1

Bid Opening Date/Revised to 4/22/08

Request for Quotation

RFQ # BHS 80097





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

Request for Quotation

RFQ NUMBER
BHS80097

PAGE
1

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

VENDOR

Arnett & Foster, PLLC
 Rod Hardy
 101 Washington St., E
 Charleston, WV 25305

SHIP TO

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
03/31/2008				
BID OPENING DATE: 04/22/2008		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p><u>ADDENDUM NO. 1</u></p> <p>1. BID OPENING DATE HAS BEEN MOVED FROM 4/8/2008 TO 4/22/2008.</p> <p>2. ADDENDUM ACKNOWLEDGEMENT IS ATTACHED. THIS DOCUMENT SHOULD BE SIGNED AND RETURNED WITH YOUR BID. FAILURE TO SIGN AND RETURN MAY RESULT IN DISQUALIFICATION OF YOUR BID.</p> <p>EXHIBIT 10</p> <p>REQUISITION NO.: BHS80097</p> <p>ADDENDUM ACKNOWLEDGEMENT:</p> <p>I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.</p> <p>ADDENDUM NO.'S:</p> <p>NO. 1</p> <p>NO. 2</p> <p>NO. 3</p> <p>NO. 4</p> <p>NO. 5</p> <p>I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.</p> <p>VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS		
SIGNATURE	TELEPHONE	DATE
<i>[Signature]</i>	304-346-0441	MAY 1, 2008
TITLE	FERN	ADDRESS CHANGES TO BE NOTED ABOVE
MEMBER	55-0486667	

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



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

Request for Quotation

RFQ NUMBER
 BHS8-0097

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

RFQ COPY

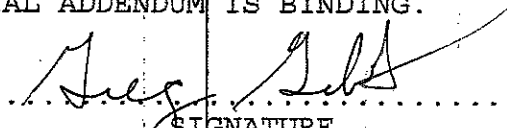
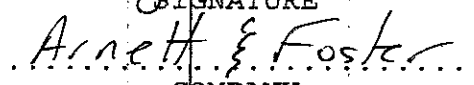
TYPE NAME/ADDRESS HERE

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

BIDDING

SHIP TO

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
03/31/2008				
BID OPENING DATE: 04/22/2008		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
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.						
 SIGNATURE  COMPANY 4/30/08 DATE						
REV. 11/96						
END OF ADDENDUM NO. 1						
0001	1	JB		961-20		
PROFESSIONAL ACCOUNTING & FINANCIAL MGMT. SERVICES						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS.

SIGNATURE  TELEPHONE 304-346-0441 DATE MAY 1, 2008

TITLE MEMBER FEIN 55-0486667 ADDRESS CHANGES TO BE NOTED ABOVE

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



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

Request for Quotation

RFQ NUMBER
BHS80097

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3

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

RFQ COPY

TYPE NAME/ADDRESS HERE

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

VENDOR

SHIP TO

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
03/31/2008				
BID OPENING DATE: 04/22/2008		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
***** THIS IS THE END OF RFQ BHS80097 ***** TOTAL:						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE 304-346-0441	DATE MAY 1, 2008
-----------	------------------------	------------------

TITLE MEMBER	FBN 55-0486667	ADDRESS CHANGES TO BE NOTED ABOVE
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WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

SIGN IN SHEET

Page 1 of 2

Mandatory Pre-Bid Conference for

Date: **March 19, 2007**

Please Print

BHS80097

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

FIRM & REPRESENTATIVE NAME		MAILING ADDRESS	TELEPHONE & FAX NUMBERS
Company:	Dixon Hughes PLLC	Chase Tower, Suite 1700	PHONE 304-343-0168
Rep:	J. Ryan Lindsey, CPA	P.O. Box 1747	TOLL FREE 800-974-6697
Email Address:	r.lindsay@dixon-hughes.com	Charleston, WV 25326	FAX 304-343-1896
Company:	DHHR - Purchasing	bdg 3, Ste 230	PHONE 558-0953
Rep:	Alberta Kincaid	Chas	TOLL FREE
Email Address:	alberta.kincaid@wdhhr.org		FAX 558-2892
Company:	DHHR - Sharpe Hospital		PHONE
Rep:	Kevin Stalnaker		TOLL FREE
Email Address:			FAX
Company:	DHHR - BHHF Admin	Diamond - RM 350	PHONE
Rep:	Jennifer Jarrell	Chas	TOLL FREE
Email Address:			FAX
Company:	DHHR - BHHF Admin	Diamond - RM 350	PHONE
Rep:	Joe Donchatz	Chas	TOLL FREE
Email Address:			FAX

SIGN IN SHEET

Mandatory Pre-Bid Conference for

BHS80097

Please Print

Date: March 19, 2007

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

FIRM & REPRESENTATIVE NAME		MAILING ADDRESS	TELEPHONE & FAX NUMBERS
Company:	ARNETT & FOSTER, PLLC	101 WASHINGTON ST. E.	PHONE 304-346-0441
Rep:	ROD HARDY	CHARLESTON, WV	TOLL FREE 1-800-642-3601
Email Address:	rod.hardy@afnetwork.com		FAX 304-346-8333
Company:	DTHR - BHHF Admin	Diamond - Rm 350	PHONE
Rep:	Dave Elyard	Chas	TOLL FREE
Email Address:			FAX
Company:	DTHR - Bateman Hospital	MMB Hospital	PHONE
Rep:	James Spencer	Huntington, WV	TOLL FREE
Email Address:			FAX
Company:			PHONE
Rep:			TOLL FREE
Email Address:			FAX
Company:			PHONE
Rep:			TOLL FREE
Email Address:			FAX

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 2008 MAR 19 P 2 10
 PURCHASING DIVISION
 STATE OF WV



SECTION ELEVEN Addendums, Continued

ADDENDUM #2

Bid Opening Date/Revised to 05/01/08

Request for Quotation

RFQ # BHS 80097





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

**Request for
 Quotation**

RFQ NUMBER:
 BHS8Q097

PAGE:
 1

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

POST ZIP

*709041713 304-346-0441
 ARNETT & FOSTER PLLC
 PO BOX 2629
 CHARLESTON WV 25329

POST ZIP

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

DATE PRINTED 04/18/2008	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
BID OPENING DATE: 05/01/2008	BID OPENING TIME		01:30PM	

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p><u>ADDENDUM NO. 2</u></p> <p>1. TO MOVE BID OPENING DATE FROM 4/22/2008 TO 5/1/2008.</p> <p>2. ADDENDUM ACKNOWLEDGEMENT IS ATTACHED. THIS DOCUMENT SHOULD BE SIGNED AND RETURNED WITH YOUR BID. FAILURE TO SIGN AND RETURN MAY RESULT IN DISQUALIFICATION OF YOUR BID.</p> <p>EXHIBIT 10</p> <p style="text-align: center;">REQUISITION NO.: BHS80097</p> <p>ADDENDUM ACKNOWLEDGEMENT</p> <p>I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.</p> <p>ADDENDUM NO.'S: NO. 1 NO. 2 NO. 3 NO. 4 NO. 5</p> <p>I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.</p> <p>VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
	304-346-0441	MAY 1, 2008
TITLE	FBN	ADDRESS CHANGES TO BE NOTED ABOVE
MEMBER	55-0486667	

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



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

**Request for
 Quotation**

NO. 4086 P. 2

RFQ NUMBER
 BHS80097

PAGE
 2

ADDRESS CORRESPONDENCE TO BY REGION OF
 ROBERTA WAGNER
 304-558-0067

*709041713 304-346-0441

ARNETT & FOSTER PLLC
 PO BOX 2629

CHARLESTON WV 25329

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

DATE PRINTED	TERMS OF SALE	SHIP/WA	FOB	FREIGHT TERMS
04/18/2008				
BID OPENING DATE: 05/01/2008		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	UNIT PRICE	AMOUNT
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.				
<i>Meg Gibbs, Member</i> SIGNATURE <i>Arnett & Foster</i> COMPANY DATE <i>April 18, 2008</i>				
REV. 11/96				
END OF ADDENDUM NO. 2				

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE _____ TELEPHONE 304-346-0441 MAY 1, 2008

TITLE MEMBER FEIN 55-0486667 ADDRESS CHANGES TO BE NOTED ABOVE

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

APR. 18. 2008 3:40PM WV DIV OF PURCH

NO. 4086 P. 3



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

Request for Quotation

REC NUMBER:
BHS80097

PAGE NO:
3

ADDRESS CORRESPONDENCE TO ATTENTION OF:
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304-558-0067

*709041713 304-346-0441
ARNETT & FOSTER PLLC
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CHARLESTON WV 25329

VARIOUS AGENCY LOCALES
AS INDICATED BELOW

DATE PRINTED	TERMS OF SALE	SHIP/MA	SOB	FREIGHT TERMS
04/18/2008				

BID OPENING DATE: 05/01/2008 BID OPENING TIME 01:30PM

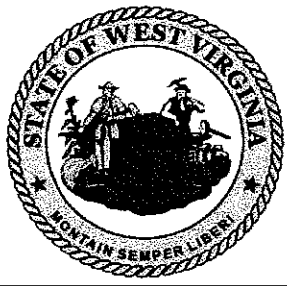
LINE	QUANTITY	DO	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	JB		961-20		
PROFESSIONAL ACCOUNTING & FINANCIAL MGMT. SERVICES						
***** THIS IS THE END OF RFQ BHS80097 ***** TOTAL:						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE TELEPHONE 304-346-0441 MAY 1, 2008

TITLE MEMBER FEIN 55-0486667 ADDRESS CHANGES TO BE NOTED ABOVE

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



SECTION ELEVEN Addendums, Continued

ADDENDUM #3

Open Market Clause/Proposed Cost

Request for Quotation

RFQ # BHS 80097





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

Request for Quotation

RFQ NUMBER
BHS80097

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1

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PURCHASER

*709041713 304-346-0441
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SHIP TO

VARIOUS AGENCY LOCALES
 AS INDICATED BELOW

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
04/20/2008				

BID OPENING DATE: 05/01/2008 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>ADDENDUM NO. 3</p> <p>1. TO REVISE THE RFQ FROM A SET PRICE TO AN OPEN-END BLANKET CONTRACT. THE FOLLOWING VERBIAGE IS TO BE ADDED TO THE RFQ SPECIFICATIONS.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY THE STATE SPENDING UNIT. IT IS UNDERSTOOD AND AGREED THAT THE CONTRACT SHALL COVER THE QUANTITIES ACTUALLY ORDERED FOR DELIVERY DURING THE TERM OF THE CONTRACT, WHETHER MORE OR LESS THAN THE QUANTITIES SHOWN.</p> <p>ORDERING PROCEDURE: SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.</p> <p>THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY</p>						

SIGNATURE <i>[Signature]</i>		SEE REVERSE SIDE FOR TERMS AND CONDITIONS		TELEPHONE 304-346-0441	DATE MAY 1, 2008
TITLE MEMBER	FEDIN 55-0486667	ADDRESS CHANGES TO BE NOTED ABOVE			

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Request for Quotation

RFQ NUMBER
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SHIP TO

**VARIOUS AGENCY LOCALES
 AS INDICATED BELOW**

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
04/20/2008				

BID OPENING DATE: **05/01/2008** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>ELECTRONIC MEDIUM SUCH AS CD-ROM.</p> <p>REV. 04/11/2001</p> <p>2. TO RESPOND TO THE VENDOR'S QUESTIONS PER ATTACHED.</p> <p>3. ADDENDUM ACKNOWLEDGEMENT IS ATTACHED. THIS DOCUMENT SHOULD BE SIGNED AND RETURNED WITH YOUR BID. FAILURE TO SIGN AND RETURN MAY RESULT IN DISQUALIFICATION OF YOUR BID.</p> <p>EXHIBIT 10</p> <p style="text-align: center;">REQUISITION NO.: BHS80097</p> <p>ADDENDUM ACKNOWLEDGEMENT</p> <p>HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.</p> <p>ADDENDUM NO.'S:</p> <p>NO. 1 ... ✓ ...</p> <p>NO. 2 ... ✓ ...</p> <p>NO. 3 ... ✓ ...</p> <p>NO. 4</p> <p>NO. 5</p> <p>I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.</p> <p>VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL REPRESENTATION MADE OR ASSUMED TO BE MADE DURING ANY ORAL DISCUSSION HELD BETWEEN VENDOR'S REPRESENTATIVES</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
	304-346-0441	MAY 1, 2008
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE
MEMBER	55-0486667	

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Request for Quotation

RFC NUMBER
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04/20/2008				

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LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>AND ANY STATE PERSONNEL IS NOT BINDING. ONLY THE INFORMATION ISSUED IN WRITING AND ADDED TO THE SPECIFICATIONS BY AN OFFICIAL ADDENDUM IS BINDING.</p> <p style="text-align: center;"> <i>Robert A. Hardy</i> SIGNATURE ARNETT & FOSTER, PLLC COMPANY 4-25-08 DATE </p> <p>REV. 11/96 END OF ADDENDUM NO. 3</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE _____ TELEPHONE **304-346-0441** DATE **MAY 1, 2008**

TITLE **MEMBER** FEIN **55-0486667** ADDRESS CHANGES TO BE NOTED ABOVE

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Request for Quotation

RFQ NUMBER
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4

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S U B J E C T

*709041713 304-346-0441
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CHARLESTON WV 25329

S H I P T O

VARIOUS AGENCY LOCALES
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04/20/2008				

BID OPENING DATE: **05/01/2008** **BID OPENING TIME 01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	JB		961-20		
PROFESSIONAL ACCOUNTING & FINANCIAL MGMT. SERVICES						
***** THIS IS THE END OF RFQ BHS80097 ***** TOTAL:						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE 304-346-0441	DATE MAY 1, 2008
TITLE MEMBER	FEIN 55-0486667	ADDRESS CHANGES TO BE NOTED ABOVE

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Question 1: "Would it be possible for us to obtain copies of the three most recent Cost Reports filed by each of the hospitals?"

Response: YES, See attached.

Question 2: Part 1: "I believe when we departed on Wednesday, there was still some debate on how we should present our estimate for these services (either via an all-inclusive total or hourly rate and estimated hours to complete services)."

Response: Estimates should be presented via an all inclusive hourly rate and estimated hours to complete services. DHHR WILL REVISE BID SCHEDULE SHEET – see attached. Unit price will be based on an hourly rate.

Part 2: "Also, there were some services mentioned that were not clearly defined in Section 2.2 of the Request for Quotation. Would it be possible for us to bid one quote, whether it's all inclusive or hourly rate, for the services that are clearly defined in section 2.2 and then also list other possible consulting services that our firm could offer beneath this as an Other Optional Services section?"

Response: We have identified most, if not all, services that the Bureau feels is needed and we can not think of other 'optional services' at this time. In order to be considered for optional service offerings, we would have to identify those in this solicitation, and we can not.

DHHR wishes to revise Section 2.2 – additions/changes are underlined for easy reference.

2.2 Services to be provided: Mandatory

Vendor will be responsible for providing professional accounting and financial management services to include, but not be limited to the following services:

A. Provide ongoing consulting to the Hospitals related to their accounting functions involving monthly, quarterly, and yearly analysis of financial statements, general ledger, and supporting subsidiary ledgers as requested by the Chief Financial Officer (CFO).

This shall also include reviews of any required file conversions to ensure detail is correct. The facilities are switching to a GL system utilizing Keane Systems; target start date for conversion is July 1, 2008.

B. Assist hospital business office and accounting personnel to develop the data necessary for the vendor to complete Federal and State regulatory reports.

C. Provide technical support in the billing and collection process as requested by the Chief Financial Officer; recommend improvements as applicable.

D. Provide a financial records review to the Chief Financial Officer as requested, which will be at least on a quarterly basis. Ensure Facility is in compliance.

E. Provide reimbursement regulation research and respond to the Chief Financial Officer as requested.

F. Prepare all Medicare (HCFA 2552) Cost Reports, Provider Cost Report Reimbursement Questionnaires (HCFA 339) and supporting documentation, which are due during the contract period. These reports are to be submitted prior to the deadline established by HCFA.

G. Prepare all Health Care Authority (HCA) Reports which are due during the contract period. All reports are to be submitted prior to the deadline established by HCA.

H. Vendor shall review and update fee schedules throughout the contract period as requested by the Chief Financial Officer, which will be at least quarterly.

I. Prepare all disproportionate share calculations as requested by the CFO, which shall be at least once a year.

J. Recommend improvements in cost reimbursement to gain consistency among the facilities; review revenue opportunities - more focus on revenue cycle process and review.

Other changes by DHHR:

Section 3 Special Terms and Conditions:

3.1 Delete the requirement of a Performance Bond.

Add:

3.4 Liquidated Damages for Failure to Meet Performance:

According to West Virginia State Code §5A-3-4(8), the Vendor agrees that liquidated damages shall be imposed at the rate identified in this section. The additional remedies described in this part shall be cumulative and shall be assessed upon each separate period of accountability. This clause shall in no way be considered exclusive and shall not limit the State or Agency's right to pursue any other additional remedy to which the State or Agency may have legal cause for action including further damages against the Vendor.

Oral or written notification to the successful Vendor of the failure to meet performance by its due date as set forth in the then-current mutually agreed upon Engagement document may be given by the Bureau/Facility CFO and/or CEO to the Vendor. The Vendor shall immediately cure the failure set forth in the notification. If the failure is not resolved, liquidated damages may be imposed at the State's option and shall be imposed retroactively to the date of failure to perform.

Amounts so determined shall constitute deductions from the amount of the Vendor's request for payment. The Vendor is responsible for the preparation and submittal of an accurate payment request. Failure to reflect such deductions from the amount of the Vendor's request for payment shall constitute grounds for the Department to pend or deny that request for payment. Any additional costs incurred by the State solely as a result of the failure by the Vendor to perform or provide services as outlined in the Engagement, including, but not limited to, additional costs for obtaining services to meet established reporting requirements by the Bureau, shall also be the responsibility of the Vendor.

Daily penalty for failure to meet deadlines as agreed upon in Engagement: \$500 per calendar day. Vendor performance complaints will also be filed indicating non-compliance.

BID SCHEDULE SHEET (Revised)

The price(s) quoted in the vendor's Quotation will not be subject to any increase and will be considered firm for the life of the contract.

This will be an open-end contract, meaning quantities are not defined but are estimated. Unit costs shall be firm and include all costs in the bid response. Pricing shall be based on an all inclusive hour rate for the services provided on this contract. All payments shall be made in arrears.

Basis of Award:

The vendor who meets all of the mandatory requirements for experience and submits the lowest hourly rate shall be awarded the contract.

For bid evaluation purposes only, here are the estimated hours per facility to consider, but it is in no way to be construed as the total hours to be performed or committed to by vendor or Bureau. Each facility will determine what those needs are with each engagement.

Bateman, estimated yearly usage: 900 hours
Sharpe, estimated yearly usage: 950 hours
Welch, estimated yearly usage: 1,500 hours
Estimated total: 3,350 hours

Any optional services that you may elect to propose should be listed separately and defined in your service offering proposal on a separate sheet. The Bureau and/or Facilities do not make any advanced commitment to purchasing optional services. This will be at the discretion of each entity and can not be used in the evaluation purposes for cost alone.

All inclusive hourly rate: \$ 119.00 x 3,350 *estimated* number of hours for *all* facilities requiring services listed herein.

All travel and administrative fees/costs are to be included in your hourly rate as no separate reimbursement of expenses will occur. Please indicate if you have a different rate for travel time you will propose to conduct engagements in performing approved/authorized services.

Grand Total (based on estimated hours for evaluation purposes) \$ 398,650.00

EXPERIENCE OF VENDOR

Vendor must provide documentation to demonstrate the following mandatory requirements:

- be an established Certified Public Accounting Firm with ten (10) years experience and registered with the State of West Virginia.
- have at least five (5) years healthcare consulting experience. (corrected from prev version – written amount is still correct, the number in parenthesis was contradictory)
- have at least three (3) years experience in 339 reporting.
- have at least five (5) years experience Health Care Authority (HCA) reporting, including quarterly CBM-9 reports.
- have at least five (5) years experience in reimbursement regulation research.
- have at least five (5) years experience related to rate regulation.
- **STAFF ASSIGNMENTS MUST BE ACCEPTABLE TO FACILITY CEO/CFO**