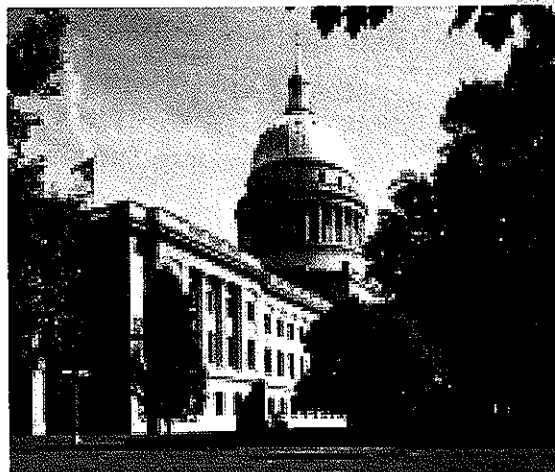


West Virginia
Children's Health Insurance Agency

Bid Proposal - ORIGINAL



FQHC/RHC
Prospective Payment
System

RECEIVED

RFQ# CHP11001

2010 SEP 13 A 9:07

PURCHASING DIVISION
STATE OF WV


Myers and Stauffer LC

Certified Public Accountants

September 14, 2010 • Bid Submission

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Myers and Stauffer_{LC}

Certified Public Accountants

September 14, 2010

Department of Administration
Purchasing Division
Building 15
2019 Washington Street, East
Charlestown, WV 25305-0130

To the Evaluation Committee:

Myers and Stauffer is pleased to present this response to RFQ CHP11001, Federally Qualified Health Center/Rural Health Center Prospective Payment System, printed July 28, 2010.

Myers and Stauffer has dedicated its certified public accounting practice to exclusively working with state and federal agencies operating public health care programs. This is our only line of business. With 13 offices, Myers and Stauffer's national practice has served Medicaid agencies in more than 35 states for over 30 years. We have performed engagements, including CHIP engagements, for many different categories of health care providers, including federally qualified health centers, rural health clinics, hospitals, nursing facilities, home health agencies, and intermediate care facilities for the mentally retarded.

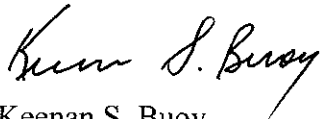
We request the following items: resumes, experience pages, and reference letters, be considered confidential. They are marked as such in the proposal. These materials contain trade secrets, privileged information, and proprietary commercial information that, if released, would give an unfair advantage to competitors.

This is to certify that I, Keenan S. Buoy, member, am an officer within our organization who is authorized to contractually obligate the firm and negotiate a contract. I have the authority to answer questions concerning this response. I can be reached at:

Keenan S. Buoy, Member
Myers and Stauffer LC
9265 Counselors Row, Suite 200
Indianapolis, Indiana 46240
Telephone: (800) 877-6927
E-mail: kbuoy@mslc.com

Thank you for providing us with the opportunity to participate in this bidding process.

Sincerely,



Keenan S. Buoy
Member



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
CHP11001

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF
**KRISTA FERRELL
 304-558-2596**

VENDOR

RFQ COPY
 TYPE NAME/ADDRESS HERE

Myers and Stauffer LC
 9265 Counselors Row, Suite 200
 Indianapolis, IN 46240

SHIP TO

WEST VIRGINIA CHILDRENS HEALTH
 INSURANCE PROGRAM
 SUITE 209
 1018 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25301 304-558-6655

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
07/28/2010				

BID OPENING DATE: **08/24/2010** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	LS		946-10	\$86,274.00	\$86,274.00
<p>FQHC/RHC PROSPECTIVE PAYMENT SYSTEM</p> <p>REQUEST FOR QUOTATION (RFQ)</p> <p>THE WEST VIRGINIA STATE PURCHASING DIVISION FOR THE AGENCY, THE WEST VIRGINIA CHILDREN'S HEALTH INSURANCE PROGRAM (WVCHIP), IS SOLICITING BIDS TO PROVIDE THE AGENCY WITH A FEDERALLY QUALIFIED HEALTH CARE/RURAL HEALTH CARE PROSPECTIVE PAYMENT SYSTEM PER THE ATTACHED SPECIFICATIONS.</p> <p>A MANDATORY PRE-BID WILL BE HELD ON MONDAY, AUGUST 9, 2010 AT 10:30 AM IN THE PURCHASING DIVISION CONFERENCE ROOM LOCATED AT 2019 WASHINGTON STREET EAST IN CHARLESTON, WEST VIRGINIA. (BUILDING #15) ALL INTERESTED PARTIES ARE REQUIRED TO ATTEND THIS MEETING. FAILURE TO ATTEND THE MANDATORY PRE-BID SHALL RESULT I DISQUALIFICATION OF THE BID. NO ONE PERSON MAY REPRESENT MORE THAN ONE BIDDER.</p> <p>AN ATTENDANCE SHEET WILL BE MADE AVAILABLE FOR ALL POTENTIAL BIDDERS TO COMPLETE. THIS WILL SERVE AS THE OFFICIAL DOCUMENT VERIFYING ATTENDANCE AT THE MANDATOR PRE-BID. FAILURE TO PROVIDE YOUR COMPANY AND REPRESENTATIVE NAME ON THE ATTENDANCE SHEET WILL RESULT IN DISQUALIFICATION OF THE BID. THE STATE WILL NOT ACCEPT ANY OTHER DOCUMENTATION TO VERIFY ATTENDANCE. THE BIDDER IS RESPONSIBLE FOR ENSURING THEY HAVE COMPLETED THE INFORMATION REQUIRED ON THE ATTENDANCE</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS.

SIGNATURE <i>Kevin S. Gray</i>	TELEPHONE (800) 877-6927	DATE 9/14/10
TITLE Member	FAX 48-1164042	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
CHP11001

PAGE
2

ADDRESS CORRESPONDENCE TO ATTENTION OF
KRISTA FERRELL 304-558-2596

VENDOR

RFQ COPY
 TYPE NAME/ADDRESS HERE
 Myers and Stauffer LC
 9265 Counselors Row, Suite 200
 Indianapolis, IN 46240

SHIP TO

WEST VIRGINIA CHILDRENS HEALTH
 INSURANCE PROGRAM
 SUITE 209
 1018 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25301 304-558-6655

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
07/28/2010				

BID OPENING DATE: 08/24/2010 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>SHEET. THE PURCHASING DIVISION AND THE STATE AGENCY WILL NOT ASSUME ANY RESPONSIBILITY FOR A BIDDER-S FAILURE TO COMPLETE THE PRE-BID ATTENDANCE SHEET. IN ADDITION, WE REQUEST THAT ALL POTENTIAL BIDDERS INCLUDE THEIR E-MAIL ADDRESS AND FAX NUMBER.</p> <p>ALL POTENTIAL BIDDERS ARE REQUESTED TO ARRIVE PRIOR TO THE STARTING TIME FOR THE PRE-BID. BIDDERS WHO ARRIVE LATE, BUT PRIOR TO THE DISMISSAL OF THE TECHNICAL PORTION OF THE PRE-BID WILL BE PERMITTED TO SIGN IN. BIDDERS WHO ARRIVE AFTER CONCLUSION OF THE TECHNICAL PORTION OF THE PRE-BID, BUT DURING ANY SUBSEQUENT PART OF THE PRE-BID WILL NOT BE PERMITTED TO SIGN THE ATTENDANCE SHEET.</p> <p>TECHNICAL QUESTION CONCERNING THIS SOLICITATION MUST BE SUBMITTED IN WRITING TO KRISTA FERRELL IN THE WEST VIRGINIA STATE PURCHASING DIVISION VIA MAIL AT THE ADDRESS SHOWN IN THE BODY OF THIS RFQ, VIA FAX AT 304-558-4115, OR VIA EMAIL AT KRISTA.S.FERRELL@WV.GOV. DEADLINE FOR ALL TECHNICAL QUESTIONS IS 08/12/2010 AT THE CLOSE OF BUSINESS. ANY TECHNICAL QUESTIONS RECEIVED WILL BE ANSWERED BY FORMAL ADDENDUM TO BE ISSUED BY THE PURCHASING DIVISION AFTER THE DEADLINE FOR TECHNICAL QUESTIONS HAS LAPSED.</p> <p>NOTICE TO PROCEED: THIS CONTRACT IS TO BE PERFORMED BY JUNE 14, 2011. THE FULLY EXECUTED PURCHASE ORDER WILL SERVE AS THE NOTICE TO PROCEED ON THIS PROJECT.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THE STATE MAY DEEM THE CONTRACT NULL AND VOID, AND TERMINATE SUCH CONTRACT</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

NATURE	<i>Kevin S. Buser</i>	TELEPHONE	(800) 877-6927	DATE	9/14/10
TITLE	Member	FEIN	48-1164042	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
CHP11001

PAGE
3

ADDRESS CORRESPONDENCE TO ATTENTION OF
**KRISTA FERRELL
 304-558-2596**

VENDOR

RFQ COPY
TYPE NAME/ADDRESS HERE
 Myers and Stauffer LC
 9265 Counselors Row, Suite 200
 Indianapolis, IN 46240

SHIP TO

**WEST VIRGINIA CHILDRENS HEALTH
 INSURANCE PROGRAM
 SUITE 209
 1018 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25301 304-558-6655**

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
07/28/2010				

BID OPENING DATE: **08/24/2010** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>WITHOUT FURTHER ORDER.</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>THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:</p> <p>SEALED BID</p> <p>BUYER: KRISTA FERRELL-FILE 21</p> <p>RFQ. NO.: CHP11001</p> <p>BID OPENING DATE: 08/24/2010</p> <p>BID OPENING TIME: 1:30 PM</p> <p>PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID:</p> <p style="text-align: center;">(317) 571-8481</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>Kenn S. Bury</i>	TELEPHONE (800) 877-6927	DATE 9/14/10
TITLE Member	FAX 48-1164042	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
CHP11001

PAGE
4

ADDRESS CORRESPONDENCE TO ATTENTION OF
**KRISTA FERRELL
 304-558-2596**

VENDOR

RFQ COPY
TYPE NAME/ADDRESS HERE
 Myers and Stauffer LC
 9265 Counselors Row, Suite 200
 Indianapolis, IN 46240

SHIP TO

**WEST VIRGINIA CHILDRENS HEALTH
 INSURANCE PROGRAM
 SUITE 209
 1018 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25301 304-558-6655**

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
07/28/2010				

BID OPENING DATE: **08/24/2010** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
CONTACT PERSON (PLEASE PRINT CLEARLY): ----- Keenan S. Buoy -----						
***** THIS IS THE END OF RFQ CHP11001 *****						TOTAL: \$86,274.00

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>Keenan S. Buoy</i>	TELEPHONE (800) 877-6927	DATE 9/14/10
TITLE Member	FEDIN 48-1164042	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
CHP11001

PAGE
1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
KRISTA FERRELL
304-558-2596

VENDOR

Myers and Stauffer LC
 9265 Counselors Row, Suite 200
 Indianapolis, IN 43240

SHIP TO

WEST VIRGINIA CHILDRENS HEALTH
 INSURANCE PROGRAM
 SUITE 209
 1018 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25301 304-558-6655

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B	FREIGHT TERMS
08/19/2010				

BID OPENING DATE: 09/07/2010 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
ADDENDUM NO. 1						
THIS ADDENDUM IS ISSUED TO:						
1.) EXTEND THE BID OPENING DATE						
BID OPENING DATE IS EXTENDED TO: 09/07/2010						
BID OPENING TIME REMAINS: 1:30 PM						
2.) PROVIDE A COPY OF THE MANDATORY PRE-BID ATTENDEE LIST.						
TECHNICAL QUESTIONS WILL BE ADDRESSED BY SUBSEQUENT ADDENDUM.						
***** END ADDENDUM NO. 1 *****						
0001	1	LS		946-10		
FQHC/RHC PROSPECTIVE PAYMENT SYSTEM						
***** THIS IS THE END OF RFQ CHP11001 ***** TOTAL:						\$86,274.00

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>Kenneth S. Bury</i>	TELEPHONE (800) 877-6927	DATE 9/14/10
TITLE Member	FEIN 48-1164042	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
 CHP11001

PAGE
 1

ADDRESS CORRESPONDENCE TO ATTENTION OF
 KRISTA FERRELL
 304-558-2596

RFQ COPY
 TYPE NAME/ADDRESS HERE
 Myers and Stauffer LC
 9265 Counselors Row, Suite 200
 Indianapolis, IN 46240

WEST VIRGINIA CHILDRENS HEALTH
 INSURANCE PROGRAM
 SUITE 209
 1018 KANAWHA BOULEVARD, EAST
 CHARLESTON, WV
 25301 304-558-6655

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
09/02/2010				
BID OPENING DATE: 09/14/2010		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
				ADDENDUM NO. 2		
				THIS ADDENDUM IS ISSUED TO:		
				1.) PROVIDE ANSWERS TO ALL TECHNICAL QUESTIONS SUBMITTED IN ACCORDANCE WITH THE PROVISIONS OF THE ORIGINAL REQUEST FOR QUOTATION (CHP11001),		
				2.) PROVIDE ATTACHMENT 1 FOR REFERENCE, AND		
				3.) EXTEND THE BID OPENING DATE		
				BID OPENING DATE IS EXTENDED TO: 09/14/2010		
				BID OPENING TIME REMAINS: 1:30 PM		
				***** ** END ADDENDUM NO. 2 *****		
0001	1	LS		946-10		
				FQHC/RHC PROSPECTIVE PAYMENT SYSTEM		
				TOTAL:		\$86,274.00

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE: *Kenn S. Bandy* TELEPHONE: (800) 877-6927 DATE: 9/14/10

TITLE: Member FEIN: 48-1164042 ADDRESS CHANGES TO BE NOTED ABOVE

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

IV. Technical Requirements/Vendor Eligibility

A. Profile of Firm

Myers and Stauffer is a limited liability company organized in the state of Kansas in 1977 and licensed to conduct business in West Virginia. A Certificate of Authorization from the West Virginia Secretary of State is included in appendix A.

Myers and Stauffer LC (an independently owned CPA firm) avoids conflicts of interest and circumstances that could create the appearance of a conflict of interest.

In the fall of 1998, Myers and Stauffer LC entered into a transaction with Century Business Services, Inc (CBIZ). This transaction resulted in the creation of a new entity called CBIZ M&S Consulting Services, LLC. CBIZ M&S Consulting Services LLC is wholly owned by CBIZ, Inc. As part of this agreement, Myers and Stauffer LC, our independently-owned CPA firm, leases its office space, employees, and obtains other business essentials (e.g., computers, copy machines, etc.) from CBIZ M&S Consulting Services, LLC. The employees Myers and Stauffer LC obtain through this transaction work exclusively for Myers and Stauffer LC.

Entities affiliated with CBIZ through similar transactions provide business insurance brokerage, accounting, tax and other services to small and midsize businesses throughout the nation.

The American Institute of Certified Public Accountants (AICPA) has reviewed our business structure and refers to the arrangement as an alternative practice

structure. AICPA professional standards provide specific guidance regarding independence within alternative practice structure firms. These professional standards are located in the Independence, Integrity and Objectivity section of the AICPA Code of Professional Conduct at ET Section 101.16.

Myers and Stauffer adheres to the requirements of ET Section 101.16, as well as all other professional standards, preserving our independence with all health care providers addressed by the RFP. To further assert our ongoing compliance with professional standards, our firm is audited by an independent peer reviewer once every three years. Our most recent peer review report received a clean opinion.

Myers and Stauffer LC, the member-owned certified public accounting firm, will provide the requested services for the West Virginia Children's Health Insurance Program.

B. Relevant Experience

As a national leader in health care consulting, Myers and Stauffer has extensive experience in federally qualified health center (FQHC) and rural health clinic (RHC) rate setting, audit, desk review, and related reimbursement issues. Additionally, our firm's expertise in FQHC/RHC cost report receipt and review is enhanced by our experience in a number of other states with various FQHC/RHC projects. Our experience includes providing audit and desk review services, assisting in the development of state reimbursement systems, defending reimbursement rates and audit findings from health care providers'

administrative and judicial challenges, and performing data management and analysis services to assist our clients better manage their health care programs.

In recent years, Myers and Stauffer has provided FQHC/RHC cost report reviews and/or audits, cost report analysis, rate setting, and reimbursement system development support to government agencies in a number of states, including Indiana, Idaho, Kansas, Kentucky, New Mexico, and North Dakota. We incorporate many of the best practices in the nation and will bring expertise to this project, which we have gained from diverse experiences.

Myers and Stauffer performs more than 5,000 health care provider cost report audits, desk reviews and/or rate calculations each year. The table below summarizes this experience.

Myers and Stauffer has the experienced staff to begin work on this project immediately. For other state agency clients, we have been extensively involved in reviewing FQHC and RHC cost reports, analyzing reimbursement rates, and using cost report data to establish prospective payment system rates. In past years, we were instrumental in assisting state Medicaid programs with the implementation of successful transitions for FQHC and RHC providers from cost-based reimbursement to prospective payment systems. Based on this

Number of Health Care Provider Cost Reports Processed Annually for State Medicaid Agency Clients							
State	SNF/NF	Hospital	ICF/MR	FQHC RHC	HHA	Other	Total
Colorado	206						206
Hawaii	31	27	3	14			75
Idaho	74	76	63	42	74		329
Indiana	475	160	500	55	175		1,365
Kansas	370	145	40				555
Kentucky	276	105	12	249			642
Louisiana	263		521			32	816
Maryland	254	30	4	6		29	323
New Jersey	140						140
New Mexico	80	48	41	24	40		233
Pennsylvania	660						660
Wyoming	36		4	1		13	54
Total	2,865	591	1,188	391	289	74	5,398

experience, we have processes, programs, and procedures that allow us to establish rates for providers. While all states are different, Medicare cost reports for FQHCs and RHCs are the same throughout the nation. We have the trained staff and infrastructure to immediately begin work on establishing a WVCHIP PPS reimbursement system.

Myers and Stauffer has earned a reputation for being able to see the big picture and efficiently applying the appropriate procedures to each engagement. As certified public accountants, we adhere to rigorous quality control procedures and comply with professional standards as set forth by the American Institute of Certified Public Accountants.

Myers and Stauffer recognizes the changing needs of its Medicaid agency clients. Cost report audit and desk review procedures must evolve to address the changing reimbursement environments. We believe that our firm's broad experience in health care reimbursement provides us with the insight and understanding to assure that the cost report review and rate setting functions are properly focused on the reimbursement system needs of our clients.

Working with government agencies on health care related projects is the only business venture for Myers and Stauffer LC. The firm's health care practice has attained a national reputation for successful health care related projects.

Myers and Stauffer's health care practice assists state agencies address reimbursement issues for long term care facilities, hospitals, home health agencies, federally qualified health centers, psychiatric residential treatment facilities, rural health clinics, pharmacies, physicians and other providers.

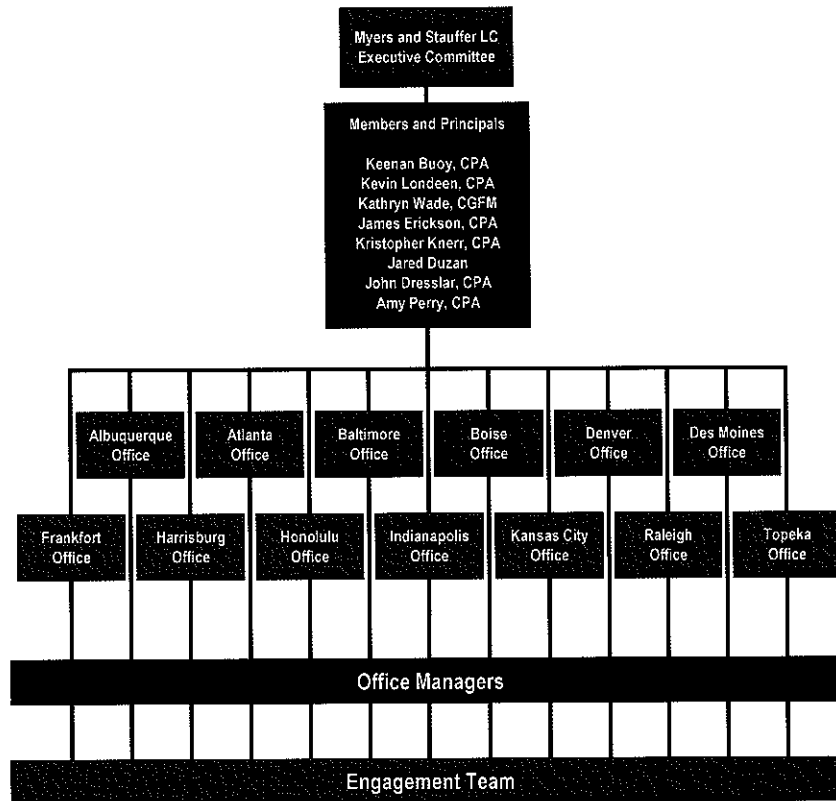
Our experience includes assisting in the development of reimbursement systems, establishing and defending rates, performing cost report audits and a diverse mix of consulting services. We are experienced in performing data management and analysis services to assist our clients better manage their government-sponsored health care programs.

Myers and Stauffer has approximately 300 professionals available across the firm with considerable academic training and specialized experience in health care consulting and reimbursement. In addition to certified public accountants, our staff includes health care policy and reimbursement analysts, registered nurses, pharmacists, statistical consultants, financial analysts and information systems professionals. An organizational chart depicting the firm's overall structure and lines of authority is shown on the following page.

With 13 offices, Myers and Stauffer's national practice has served Medicaid agencies in more than 35 states. We have performed engagements addressing many different categories of health care providers, including federally qualified health centers, rural health clinics, hospitals, nursing facilities, home health agencies, critical access hospitals and intermediate care facilities for the mentally retarded.

Our experience includes providing audit and desk review services, assisting in the development of state reimbursement systems, defending reimbursement rates and audit findings from health care providers' administrative and judicial challenges, and performing data management and analysis services to assist our clients better manage their health care programs.

**Myers and Stauffer LC
Firm Organization Chart**



Medicare principles of reimbursement, cost reporting processes, policies and guidelines form the foundation upon which many Medicaid payment systems are built. Successfully serving state Medicaid agencies for more than 30 years, Myers and Stauffer professionals are familiar with the intricacies of the Medicare program – including Medicare cost reporting processes, allowable cost regulations, reimbursement and rate setting regulations and policies, and administrative processes that execute program requirements.

Our Medicaid clients look to us to anticipate issues that will emerge and ensure that the data needed to address problems is readily available. As a result, our Medicaid agency clients are at the forefront of transitions to nursing facility case mix reimbursement, APC

outpatient hospital reimbursement and involved with intergovernmental transfer and provider tax and other federal funding enhancement activities.

Myers and Stauffer is not your typical audit firm. While our skills and talents with health care related audit and verification activities are unsurpassed, we are also a very talented consulting firm at the forefront of issues being addressed by Medicaid programs across the nation.

Our prior Medicaid cost report audit experience is extensive and spans a 30-year history. A full listing of the firm’s experience applicable to cost reporting using Medicare or Medicaid methodology follows.

Myers and Stauffer's qualifications for this contract include extensive experience in projects similar in complexity and scope to those required by the RFP. We have included a more detailed description of the firm's experience with FQHC/RHC prospective payment systems for the following clients:

- Indiana Office of Medicaid Policy and Planning.
- Idaho Department of Health and Welfare.
- New Mexico Human Services Department.
- Montana Department of Public Health and Human Services.
- Iowa Department of Human Services Division of Medical Services.
- Kentucky Department for Medicaid Services

Client	Services	Duration
Alabama Medicaid Agency	State Maximum Allowable Cost Reimbursement for Drugs	2008-Present
Alaska Department of Health and Social Services	Medicaid Provider Audit	2003-Present
Alaska Department of Health and Social Services	Disproportionate Share Hospital Audits	2009-Present
Colorado Department of Health Care Policy and Financing	Audit and Rate Setting for LTC Facilities	1984-Present
Colorado Department of Health Care Policy and Financing	NF, Hospital, ICFs/MR Upper Limit Calculation	2002-Present
Georgia Department of Community Health	Disproportionate Share Hospital Consulting and Upper Payment Limit Calculation	2005-Present
Georgia Department of Community Health	Disproportionate Share Hospital Audits	2009-Present
Georgia Department of Community Health	NF Case Mix Services	1999-Present
Hawaii Department of Human Services	Audit and Rate Reimbursement Functions for Hawaii Medicaid Fee for Service Program	2007-Present
Hawaii Department of Human Services	Medicaid Case Mix Implementation	2001-Present
Idaho Department of Health and Welfare	Rate Calculations and Audits of Health Care Providers	1992-Present
Idaho Department of Health and Welfare	DSH, UPL and IGT	1994-Present
Idaho Department of Health and Welfare	Payment Error Rate Measurement	2004-Present
Idaho Department of Health and Welfare	State Maximum Allowable Cost Reimbursement for Drugs	2004-Present
Indiana Office of Medicaid Policy and Planning	Hospital Payment Rate Setting and Audit Services	1995-Present
Indiana Office of Medicaid Policy and Planning	Medicaid LTC Auditing Services	2008-Present
Indiana Office of Medicaid Policy and Planning	Medicaid LTC Rate Setting Services	1982-Present
Indiana Office of Medicaid Policy and Planning	Disproportionate Share Hospital, Intergovernmental Transfers, and Upper Payment Limits	1995-Present

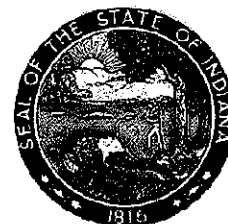
Client	Services	Duration
Indiana Office of Medicaid Policy and Planning	Payment Error Rate Measurement	2007-2009
Iowa Department of Human Services	Provider Tax, UPL and IGT	2003-Present
Iowa Department of Human Services	Medicaid Enterprise Provider Audit and Rate Setting	2004-Present
Iowa Department of Human Services	Payment Error Rate Measurement	2007-Present
Iowa Department of Human Services	Non-Traditional Medicaid Program	2005-Present
Kansas Department of Social and Rehabilitation Services	Recalibration and Rebased of DRG Reimbursement System	1992-Present
Kansas Department on Aging	Database Management and Rate Setting Services	1981-Present
Kansas Health Policy Authority	Disproportionate Share Hospital	2002-Present
Kentucky Department for Medicaid Services	UPL Calculations	2000-Present
Kentucky Department for Medicaid Services	Rate Setting for NF, IMD, PNF, ICF/MR/DD, Hospital, Hospice and Swing Bed Providers	1998-Present
Louisiana Department of Health and Hospitals	UPL/DSH Calculations and DSH Audit	2005-Present
Louisiana Department of Health and Hospitals	Case Mix Rate Setting System and Develop and Operate MDS Validation Program	2001-Present
Maryland Department of Health and Mental Hygiene	Auditing, Accounting, and Consulting Services	2006-Present
Maryland Department of Health and Mental Hygiene	Agreed Upon Procedures, Related Accounting and Consulting Services for Managed Care Organizations	2006-Present
Maryland Department of Health and Mental Hygiene	Disproportionate Share Hospital Audits	2009-Present
Mississippi Division of Medicaid	UPL Calculations and DSH Consulting	2006-Present
Mississippi Division of Medicaid	State Maximum Allowable Cost Reimbursement for Drugs	2007-Present
Missouri Department of Social Services	Payment Error Rate Measurement	2008-Present
Montana Department of Public Health and Human Services	Audits, Rate Setting and Consulting of Health Care Providers	1991-Present

Client	Services	Duration
Montana Department of Public Health and Human Services	Disproportionate Share Hospital Audits	2009-Present
Nebraska Department of Health and Human Services	Disproportionate Share Hospital Audits	2009-Present
New Jersey Department of Health and Senior Services	LTC Facility Auditing	2003-Present
New Jersey Department of Human Services	Development and Implementation of an Inpatient Hospital Reimbursement System	2005-Present
New Mexico Human Services Department	Nursing Facility Audit, Agreed Upon Procedures	2002-Present
New Mexico Human Services Department	Hospital Audit and Desk Review	1995-Present
New Mexico Human Services Department	UPL Calculations and DSH Consulting	1995-Present
North Carolina Department of Health and Human Services	MDS/Clinical Documentation Review and Training	2004-Present
North Carolina Department of Health and Human Services	Medicaid Audit and Cost Report Analyses Program	1999-2003 2009-Present
North Carolina Department of Health and Human Services	Disproportionate Share Hospital Audits	2009-Present
North Dakota Department of Human Services	Medicaid Disproportionate Share Hospital Audit, Hospital Upper Payment Limit Calculations and Supplemental Payment and Critical Access Hospitals Cost Settlement	2009-Present
North Dakota Department of Human Services	FQHC/RHC Rate Setting	2010-Present
Pennsylvania Department of Public Welfare	Case Mix Rate Calculation and Analysis	1992-Present
West Virginia Public Employees Insurance Agency	PPS/RBRVS	2001-Present
Wyoming Department of Health	Medicaid LTC Reimbursement Auditing	1988-Present
Wyoming Department of Health	Disproportionate Share Hospital Audits	2009-Present
Wyoming Department of Health	Payment Error Rate Measurement	2009-Present

Cost Report Reviews and Rate Setting for Inpatient and Outpatient Hospital Services, Physician, and Other Ambulatory Providers

Client

Indiana Family and Social Services Administration
Office of Medicaid Policy and Planning



Project

Myers and Stauffer provides accounting, auditing, data management, research, fiscal analysis, and consulting services to support Indiana Medicaid hospital, health clinics, physician, dental, pharmacy, and other ambulatory provider reimbursement systems.

Services Provided

- ✓ Receive and process cost reports, developing and maintaining a cost report database and conducting field audits and desk reviews of hospital, FQHC, and RHC cost reports.
- ✓ Prepared Medicaid Statistical Report for hospital cost report adjustments
- ✓ Compute and maintain inpatient prospective payment systems including base rates, relative weights, graduate medical education, level of care per diems, capital reimbursement, outlier threshold, cost-to-charge ratios, and marginal cost factors.
- ✓ Compute and maintain rates for the outpatient prospective payment system, including emergency room, surgical procedures, clinic, laboratory, and radiology rates.
- ✓ Compute and maintain Medicaid physician, dental, and other ambulatory reimbursement rates and prepare fiscal analyses.
- ✓ Develop databases and analyze reimbursement alternatives, and analyze bills from the General Assembly.
- ✓ Assist OMPP with reconsideration and appeal requests and with administrative rule filings and state plan amendments.
- ✓ Determine DSH eligibility and comply with federal limitations.

Term of Contract

1995 to Present

Client Contact

Pat Nolting, Director of Reimbursement
402 W. Washington Street, W382
Indianapolis, IN 46204
Phone: (317) 232-4318
E-mail: Pat.nolting@fssa.in.gov

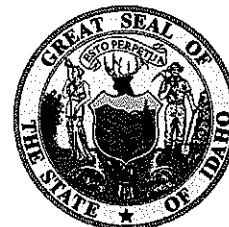
Federally Qualified Health Centers and Rural Health Centers Audit and Rate Setting

Client

Idaho Department of Health and Welfare

Project

Myers and Stauffer was engaged to perform audits and rate calculation services of FQHC/RHC providers and assist with implementation of cost settlement process.



Services Provided

- ✓ Annual FQHC and RHC rate calculation in accordance with BIPA.
- ✓ Receive, process and track provider cost reports.
- ✓ Since the implementation of BIPA, have assisted in audits and desk reviews to rebase PPS rates for changes in scope of services.
- ✓ Perform a combination of field audits and desk reviews on cost reports to determine allowable cost in accordance with federal and state reimbursement criteria.
- ✓ Calculate reimbursement settlement in accordance with the Department's reimbursement criteria.
- ✓ Correspond with providers and respond to adjustment amount inquiries subsequent to the issuance of a draft audit report.
- ✓ Prepare monthly status reports which track provider cost reports through the audit cost settlement process.
- ✓ Consult with the Department regarding reimbursement issues.

Term of Contract

July 1993 to Present

Client Contact

Leslie Clement, Administrator
Idaho Department of Health and Welfare, Division of Medicaid
P.O. Box 83720
Boise, ID 83720-0036
Phone: (208) 334-5747
E-mail: ClementL@dhw.idaho.gov

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Audits and Rate Setting for HHAs, Hospitals, FQHCs and Hospices

Client

New Mexico Human Services Department



Project

Myers and Stauffer was engaged to perform annual desk reviews, field audits and settlement services of selected providers' financial and statistical records and rate setting for DRG and TEFRA hospitals.

Services Provided

- ✓ Prepare cost settlement of outpatient hospital services, TEFRA hospitals and Distinct Part Units, FQHCs and HHAs.
- ✓ Rebase peer group hospital rates and recalibrate DRG weights and assist state in updating DRG base rate methodology.
- ✓ Determine DSH eligibility and payment amounts and develop new DSH plan for pooled payments.
- ✓ Compute indirect medical education payments.
- ✓ Develop new prospective reimbursement methodology for GME.
- ✓ Participate in appeals and/or requests for reconsideration.
- ✓ Provide audit opinions.
- ✓ Track repayments and recoupments.

Term of Contract

December 1995 to Present

Client Contact

Anna Bransford, Financial Manager
New Mexico Medical Assistance Division, Program Administration Bureau
P.O. Box 2348
Santa Fe, NM 87504-2348
Phone: (505) 827-3127
E-mail: anna.bransford@state.nm.us

CONFIDENTIAL

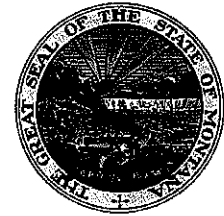
Audits, Rate Setting and Consulting of Health Care Providers

Client

Montana Department of Public Health and Human Services

Project

Myers and Stauffer provided audit, reimbursement and consulting services related to changes in the reimbursement of long term care services in Montana. The firm provided these services to the state for long term care facilities, residential treatment centers and federally qualified health centers while also addressing state plan issues.



Services Provided

- ✓ Audit providers' Medicaid cost reports in accordance with Medicare reimbursement principles and state Medicaid criteria.
- ✓ Provide testimony at hearings in defense of audit adjustments made.
- ✓ Consult with the Department regarding reimbursement issues.
- ✓ Process quarterly MDS information and generate RUG scores for nursing facilities.
- ✓ Calculate nursing facility reimbursement rates.
- ✓ Compute the UPL on an annual basis.
- ✓ Prepare an annual report comparing rates and costs within the nursing facility program.

Term of Contract

May 1991 to Present

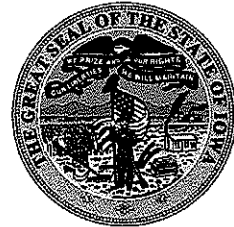
Client Contact

Kelly Williams, Administrator
111 Sanders
Helena, Montana 59601
E-mail: kewilliams@mt.gov
Phone: (406) 444-4147

Iowa Medicaid Enterprise Provider Audit and Rate Setting

Client

Iowa Department of Human Services Division of Medical Services



Project

Myers and Stauffer is engaged to provide professional accounting and consulting services as the Provider Cost Audit and Rate Setting Unit of the Iowa Medicaid Enterprise.

Services Provided

- ✓ Medicaid nursing facility case mix rate setting.
- ✓ Rate setting, auditing and cost settlement for nursing facilities, ICF/MR, residential care facilities, home and community based waiver providers, targeted case management, adult rehabilitation option, FQHC, home health, RHC, PMIC, critical access hospitals, acute psych hospitals and general acute care hospitals.
- ✓ Medicaid fee schedule updates.
- ✓ State maximum allowable cost reimbursement for drugs.
- ✓ DSH, IGT and UPL calculations and other revenue maximization.
- ✓ Hospital payment rate setting including outpatient and inpatient services.
- ✓ Consulting and litigation support services.
- ✓ Policy assistance with case management reform and other provisions of DRA of 2005.

Term of Contract

July 2004 to Present

Client Contact

Patricia Ernst-Becker, Iowa Medicaid Enterprise Unit Manager
Iowa Department of Human Services
100 Army Post Road
Des Moines, IA 50315
E-mail: pernstb@dhs.state.ia.us
Phone: (515) 725-1347

Hospital, Long Term Care and Other Facility Rate Setting

Client

Kentucky Department for Medicaid Services

Project

Myers and Stauffer performs rate setting services for hospitals (Freestanding Psych, DPU, LTAC inpatient and outpatient), long term care facilities, ICF/MRs, FQHC/RHC, and Hospice. Myers and Stauffer also performs DSH audits.



Services Provided

- ✓ Request, receive and track long term care, FQHC, RHC, and ICF/MR cost reports.
- ✓ Perform data entry through the Medicaid Rate Setting Information System.
- ✓ Develop the Medicaid Rate Setting Information System, a computer program that tracks the due dates for provider cost reports, stores the cost report data and calculates the rates.
- ✓ Distribute hospital, long term care, ICF/MR, FQHC/RHC, and Hospice rates to the facilities.
- ✓ Performs Outpatient cost report reviews and related settlement calculations
- ✓ Performs DSH audits for hospital providers
- ✓ Performs desk reviews for ICF/MR and FQHC/RHC
- ✓ Provide consulting services to the state on various issues.
- ✓ Respond to provider requests for information.

Term of Contract

July 1998 to Present

Client Contact

Jill Hunter, Director and Lisa Lee, Director
Department for Medicaid Services
275 East Main Street, 6th Floor
Frankfort, Kentucky 40621
Phone: (502) 564-5707 and (502) 564-3477

C. Project Leadership

The following summary describes the project leadership team proposed for this engagement. A resume for each individual follows.

Keenan Buoy, CPA, member, will serve as *project director* and will have ultimate authority and overall responsibility for all aspects of the project. He will attend project meetings, direct activities of the project team, and be available to department staff on a daily basis. He is responsible for reviewing deliverables and coordinating the professional resources based on the work plan. He is the member in charge of the firm's Indianapolis, Indiana, office. Mr. Buoy will work with the project manager to ensure successful outcomes. His qualifications include more than 28 years of experience providing consulting, auditing and accounting services to state Medicaid agencies, including consulting on a variety of public health policy issues for numerous state agency clients.

Tim Guerrant, CPA, will serve as *project manager* and back up for Mr. Buoy. He will attend project meetings, direct activities of the project team, and be available to department staff on a daily basis. He is responsible for reviewing deliverables, assuring quality control, adhering to the project work plan and coordinating the professional resources. Mr. Guerrant has eight years of professional experience with Myers and Stauffer in the area of health care reimbursement.

Beverly Kelly, CPA, will serve as *project consultant*. Ms. Kelly, a manager with Myers and Stauffer, has supervised and managed numerous auditing projects, including focused field audits of federally qualified health centers. She is a certified fraud examiner who also manages program integrity engagements for our state agency clients.

Berry Bingaman will serve as *in-charge accountant*. She will provide assistance to the project manager in the performance of project activities associated with RHC/FQHC rate setting. She will review the work performed in compliance with the firm's quality control procedures. She is responsible for requesting the cost and encounter data, calculating the cost per provider, updating programs and procedures, researching allowable costs and calculation issues and providing assistance in the development of reimbursement guidelines. She will supervise the compiling of the information for preparation of the rate calculations and methodology.

Additional staff resources, including senior- and staff-level accountants, will be utilized as needed to achieve project objectives and assure satisfaction with our services.

D. References

Myers and Stauffer has the reputation of being professional, knowledgeable, courteous and timely with its projects. We offer contact information for three representative clients:

Pat Nolting, Director of Reimbursement
Indiana Office of Medicaid Policy & Planning
402 W. Washington Street, W382
Indianapolis, IN 46204
Phone: (317) 232-4318
E-mail: Pat.nolting@fssa.in.gov

Leslie Clement, Administrator
Idaho Department of Health and Welfare
P.O. Box 83720
Boise, ID 83720-0036
Phone: (208) 334-5747
E-mail: ClementL@dhw.idaho.gov

Anna Bransford, Financial Manager
New Mexico Medical Assistance Division
P.O. Box 2348
Santa Fe, NM 87504-2348

Phone: (505) 827-3127

E-mail: anna.bransford@state.nm.us

Reference letters from our state agency clients are included in appendix B. The reference letters are not intended to serve as a substitute for independent inquiry by the evaluation team.

Keenan S. Buoy, CPA

Member

PROJECT TITLE

Project Director

CERTIFICATION

Certified Public Accountant

EXPERIENCE RELEVANT TO THIS PROJECT

Mr. Buoy, a member (owner) and executive consultant of the firm, is the member in charge of the firm's Indianapolis, Indiana office. He is experienced in managing large, complex projects and coordinating the efforts of numerous staff. A certified public accountant, Mr. Buoy's 28-year career with Myers and Stauffer has focused exclusively on health care accounting and rate setting/reimbursement engagements. His responsibilities include review of state plans for reasonableness, revising state regulations and criteria, developing cost reporting forms and instructions, reviewing cost information accumulated by state agencies for reasonableness, and developing rationale for resolution of Medicaid reimbursement policy issues.

He has extensive experience in the review of Medicaid cost reports and has provided desk or supervisory reviews and attendant rate determinations for long term care providers.

Mr. Buoy provides expert testimony and consultation in the defense of litigation filed by and against health care providers in various state and federal courts and administrative forums. His assistance includes technical support of state and federal agency officials and their counsel concerning Medicaid reimbursement plans, including relevant state and federal rules and methodologies.

He participates with state Medicaid agency clients in various provider reimbursement task force initiatives providing consultation on alternative reimbursement methodologies, fiscal analyses of current and proposed formulas and responding to technical issues. Task force participants have included legislators, providers, state Medicaid agency officials, budget agency officials and other interest groups.

Mr. Buoy skillfully responds to provider inquiries and administrative reconsideration requests concerning reporting requirements and data submission, rate setting procedures and methodologies, and other relevant rate setting and policy issues; communicating with health care providers regarding numerous issues, followed by appropriate desk review adjustments to rate cases as necessary to comply with state and federal regulatory requirements.

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He responds to inquiries from client agencies concerning reimbursement issues and provides agency officials with opinions regarding relevant rate setting issues concerning proposed changes to reimbursement formulas and methodologies. He routinely provides assistance in drafting and implementing Medicaid regulatory and State Plan changes.

OTHER PROFESSIONAL EXPERIENCE

Other state Medicaid agency consulting projects he has directed include documentation of findings and analysis for state Medicaid agencies in compliance with numerous state and federal regulatory requirements. This includes compilation of provider data and pertinent economic factors as relevant to findings required pursuant to 42 CFR 447.253 and 447.272. Additionally, he has served as project coordinator on numerous health care provider litigation support projects, to include assisting with discovery proceedings, preparing and providing trial exhibits and expert testimony in support of the state agency client.

EDUCATION

B.B.A., Accounting, Washburn University, Topeka, Kansas, 1982

AFFILIATIONS

American Institute of Certified Public Accountants

Indiana CPA Society

American Public Human Services Association

Timothy J. Guerrant, CPA

Manager

PROJECT TITLE

Project Manager

CERTIFICATION

Certified Public Accountant

EXPERIENCE RELEVANT TO THIS PROJECT

Mr. Guerrant is a manager with Myers and Stauffer and has eight years experience providing accounting and consulting services to government health care agencies. Mr. Guerrant's responsibilities include:

- Managing Medicaid desk reviews of hospital, federally-qualified health center (FQHC), rural health clinic (RHC), and psychiatric residential treatment facility (PRTF) cost reports.
- Managing FQHC and RHC rate setting and reimbursement issues, including establishing PPS rates, reviewing changes in scope of services, and developing policy changes.
- Managing calculation of FQHC and RHC managed care wrap payments and settlements.
- Managing surveys of pharmacy dispensing costs.
- Managing rate setting, reimbursement design, and consulting for inpatient hospital, outpatient hospital, physician, durable medical equipment, medical supplies, dental, and other ambulatory provider categories.
- Preparing analytical reports, such as fiscal modeling, utilization reports, and analysis of payments to providers.
- Assisting with resolving and researching provider appeals.
- Preparing audit strategies and materials for auditing hospitals that received Disproportionate Share Hospital (DSH) payments.
- Performing research and analysis of a litigation support initiative for the United States Department of Justice.
- Conducting analysis of care management organization and subcontractor financial and encounter data.
- Performing analysis and auditing of state Medicaid Management Information Systems (MMIS) based on coverage and payment policies.
- Providing consulting services relating to the review and interpretation of Medicare/Medicaid legislation and policy issues.

OTHER PROFESSIONAL EXPERIENCE

Prior to joining Myers and Stauffer, Mr. Guerrant served as a staff accountant for BKD, LLP, Indianapolis, Indiana. His responsibilities included: corporate and individual tax return preparation; financial statement compilation; consulting for hospitals and nursing facilities – Medicare and Medicaid cost report preparation, impact analyses of intermediary audit adjustments, Medicare Geographic Reclassification (MGCRB) applications, Medicare and Medicaid DSH, CHAMPUS reports.

EDUCATION

B.S., Accounting, Bob Jones University, Greenville, South Carolina, 1999

AFFILIATIONS

American Institute of Certified Public Accountants

Indiana CPA Society

Healthcare Financial Management Association

Beverly Kelly, CPA, CFF, CFE

Manager

PROJECT TITLE

Project Consultant

CERTIFICATION

Certified Public Accountant, Licensed in Indiana, Kentucky and Georgia
Certified in Financial Forensics
Certified Fraud Examiner

EXPERIENCE RELEVANT TO THIS PROJECT

Ms. Kelly, a manager with Myers and Stauffer, has supervised and managed numerous auditing projects, including focused field audits of federally qualified health centers, nursing facilities, pharmacies, physician offices, waiver providers and other state agencies. She has experience writing limited-scope audit and agreed upon procedures programs for a variety of provider types and successfully conducting those engagements. She also assists the firm's clients in researching and preparing state plan amendments when a change in federal legislation mandates the change.

She manages the firm's program integrity engagement with the Georgia Department of Community Health and the Georgia Families Program. The Georgia Families Program is the state's care management program and includes over one million members and three large health plans. Her responsibilities include overseeing post-payment review of claims, monitoring and reporting on health plan compliance with contractual and regulatory provisions, communicating with providers and professional associations, onsite financial audits and reconciliations, preparation of written and oral reports and presentations to the Department of Community Health and the Board of Community Health in Georgia.

In addition to the duties outlined above, Ms. Kelly also provided assistance with a large on-site agreed upon procedures engagement in which one of Georgia's care management organizations' internal controls, processes and other financial information were evaluated to determine compliance with selected state and contractual obligations. This engagement resulted in a significant number of recommendations regarding corrective actions as well as the assessment of damages against the care management organization by the state.

Ms. Kelly oversaw a project for the Indiana Family and Social Services Administration, Division of Finance and Budget, to develop a cost reporting tool and assist in determining reimbursement rates relative to the administrative functions for the Child Care and Development Fund (CCDF) Program. She coordinated with committee members representing the CCDF County Voucher Agents to obtain input on the development of the cost reporting tool, surveyed similar agencies in other states to obtain information regarding potential alternative reimbursement methodologies, and participated in onsite validations of a sample of the costs reports submitted. From the information obtained, median

base rates for child care services, both on an urban and a rural basis, were calculated and presented to the Division of Finance and Budget for consideration.

Ms. Kelly managed the firm's program integrity engagements for the states of Indiana, South Carolina and Kentucky where her responsibilities included supervision of the development of algorithms to assess accuracy of Medicaid payments to providers as well as identify possible abuse or fraud, oversight of collection procedures, coordination with fiscal intermediaries for claims system enhancements, and correspondence with providers regarding resolutions and appeals. Ms. Kelly also serves as a liaison to various provider associations and coordinates efforts with the state Medicaid Fraud Control Units.

Ms. Kelly's experience also includes management of the firm's Frankfort, Kentucky, office and overseeing all aspects of the firm's rate setting contract with the Kentucky Department for Medicaid Services. She works closely with state agencies to determine policy development and regulations.

Ms. Kelly participated on a Medicaid contract for the state of Virginia to conduct claims reviews for select Medicaid providers to identify the appropriateness of certain Medicaid payments and verify compliance with certain state and federal regulations for Medicaid services. As part of this project, she conducted on-site field reviews of selected home infusion providers with the objective of identifying fraud, waste and abuse of the state's Medicaid program.

OTHER PROFESSIONAL EXPERIENCE

Prior to joining Myers and Stauffer, Ms. Kelly was a corporate tax manager. She supervised and reviewed corporate tax returns, provided tax planning, reviewed compiled financial statements, and corresponded with federal and state tax authorities.

EDUCATION

B.S., Accounting, Indiana University, 1990

PRESENTATIONS

"Cross Claims Analysis and Data Mining," National Health Care Anti-Fraud Association, Miami, Florida, August 2007

AFFILIATIONS

American Institute of Certified Public Accountants
Indiana CPA Society
Health and Financial Management Association
National Association for Medicaid Program Integrity
Association of Certified Fraud Examiners

Berry Bingaman

In-Charge Accountant

PROJECT TITLE

In-Charge Accountant

EXPERIENCE RELEVANT TO THIS PROJECT

Ms. Bingaman performs desk reviews of Medicaid hospital cost reports and supervisory reviews of Medicaid hospital cost reports. Ms. Bingaman calculates FQHC/RHC managed care and dental wrap settlements and works with providers and MCOs to reconcile differences. Ms. Bingaman assists with MMIS testing and has also assisted with agreed upon procedures involving MCOs and their associated sub-contractors including participation in an on-site engagement. She coordinates the pharmacy dispensing cost survey. In this capacity, she is the primary contact for pharmacy inquiries, performs desk reviews of cost surveys, performs supervisory reviews of cost surveys, and coordinates survey data and training.

OTHER PROFESSIONAL EXPERIENCE

Ms. Bingaman has three years of experience with Wishard Health Services. As senior financial analyst, she produced and analyzed bi-weekly productivity reports for 400+ cost centers, analyzed revenue and expenses using cost to charge ratios, created trending spreadsheets by month and by cost center to identify areas of concern and assisted with preparation of the Indiana Medicaid cost report. As budget analyst, she prepared the budget for units of service, general ledger, and staffing, provided decision support to 20+ directors to prepare for budget hearings, and prepared analyses to support or refute managers' budget requests. As staff accountant, she was responsible for month-end close of Wishard Health Services and the Wishard Memorial Foundation. She compared actual monthly results to the budget, analyzing any variances. She became knowledgeable in SAP, AFM, and SMS systems. (2005-2008)

She served as senior accountant for 3Guppies.com where she performed internal audits to find and correct pre-existing accounting inaccuracies and analyzed monthly, quarterly, and annual financial statements. (2004-2005)

EDUCATION

M.S., Accounting, Ball State University, 2003

B.S., Accounting, Ball State University, 2002

VI. Scope of Work/Deliverables

Historically, FQHCs and RHCs were reimbursed on the basis of reasonable costs. Under Section 702 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act (BIPA) of 2000, the federal government set forth specific Medicaid reimbursement requirements for FQHCs and RHCs. This legislation required states to reimburse these facilities following a prospective payment system (PPS) beginning January 1, 2001. This federal legislation also provided specific details on the basis of costs to be used for the system as well as providing an inflationary index (Medicare Economic Index) for the annual updates. BIPA also allowed states an option to pay outside of the prescribed methodology if the alternative methodology paid equal or more than the prospective method.

The BIPA legislation applied to Medicaid programs and CHIP programs operated as Medicaid expansion programs under Title XIX. Most states implemented a PPS in accordance with this legislation, with a few states opting for alternative payment methodologies. The federal Children's Health Insurance Program Reauthorization Act of 2009 (CHIPRA) required that CHIP programs under title XXI of the Social Security Act provide reimbursement to FQHCs and RHCs using a PPS based on the requirements of BIPA. In conjunction with an advisory group, WVCHIP has determined that separate CHIP PPS rates should be developed.

A. Scope of Work

Our approach to performing the services requested in the RFQ has been developed

throughout a long history of providing rate setting, reimbursement development and design, along with related consulting services to our state agency clients. We have already begun to familiarize ourselves with the reimbursement methodologies currently in place in West Virginia. We have documented our initial understanding of the payment methodologies within this proposal. Upon contract award, we will perform a thorough review of the rules, statutes, and state plan. Based on our review, we may consult with WVCHIP to clarify any questions and to ensure that we fully understand the reimbursement parameters. The following sections describe our understanding of the scope of the required functional areas of the RFQ.

1. Review Medicare cost reports and Uniform Data Set (UDS) reports

We will begin work immediately upon contract award to develop PPS rate setting review procedures that will form the basis for our review of Medicare cost reports and UDS reports and the establishment of initial PPS rates. We will develop standardized work papers for use in completing the rate setting review procedures. By using standardized work papers for each review, we increase the consistency and accuracy of the procedures.

In addition to the Medicare cost reports and UDS reports that will be obtained from providers, we will work directly with FQHC and RHC providers to obtain any other pertinent information necessary for the PPS rate setting reviews. As noted previously, we

have extensive experience in other states in receipt and processing of provider cost reports and related documentation and information. We will utilize our experience and existing processes to request any necessary documentation and information from providers.

Interacting professionally, accurately, and timely is key to developing good working relationships with health care providers. Positive working relationships with the provider community will reduce conflicts and will assist in reaching workable solutions that are advantageous to all stakeholders. It is our understanding that the providers are aware of this project. At the direction of WVCHIP, when requesting additional information from providers, we will include a cover letter introducing our firm and explaining our role in the project. In addition, to alleviate administrative burdens for WVCHIP, we will provide contact information to the providers, so we can handle as many of the provider questions and inquiries as possible, while making sure the WVCHIP is fully informed of all issues. Appropriately trained Myers and Stauffer personnel will respond to provider inquiries in a thorough, courteous, professional, and expeditious manner.

For each PPS rate review, we will maintain a work paper file that contains all relevant documentation. The filing system will center on the PPS rate review program. Each file will contain separate sections for various reference materials, such as the cost report, working trial balance, UDS report, etc., and any other related supporting work papers. A complete file of all work papers, cost report forms, review programs and correspondence will be maintained. In addition, electronic versions of the work papers will be available to each staff member through our Local Area Network (LAN).

Because of the volume of PPS rate reviews under this project, a detailed work plan is an extremely useful tool for organizing project tasks and milestones and for tracking dates, task completion, and timelines. Within a mutually agreed-upon time frame, we will submit to WVCHIP a detailed work plan covering all activities under the contract. This work plan will contain timelines, milestones, and steps necessary to meet the requirements of the contract tasks.

We will implement a project status tracking system to assist Myers and Stauffer and WVCHIP with monitoring the status of activities under the project. This system will track the progress of PPS rate review activities from initial review of cost reports/UDS reports through finalization, and through the appeals process as necessary. We will provide status reports designed to meet WVCHIP requirements, including information regarding receipt of cost reports/UDS reports, the number of PPS rate reviews completed during the month and the number of PPS rate reviews not yet completed during the month. The status reports will be generated on a monthly basis or other mutually agreeable frequency, and will be submitted in the format prescribed by WVCHIP.

2. Develop WVCHIP specific PPS rate methodology and provide written documentation of the methodology

Based on our review of FQHC/RHC Medicare cost reports and UDS reports, we will develop written documentation of the methodology for establishing WVCHIP PPS rates specific to each FQHC and RHC provider. This methodology will be based on the requirements of BIPA as mandated by the CHIPRA legislation. We will work closely with WVCHIP to ensure that the methodology

is consistent with the program's needs and expectations.

The computation of CHIP PPS rates will follow the parameters prescribed by BIPA for Medicaid PPS rates. PPS rates will be based on the costs of the center or clinic for services furnished during the PPS rate base years. Direct costs will be obtained from the cost report, and overhead facility costs will be included and allocated to ensure the costs are all-inclusive. The allocation of overhead is especially critical because many providers have non-reimbursable cost centers such as in-kind costs related to visiting patients in hospitals. A pro-rata share of the overhead costs must be allocated to all cost centers to ensure the reimbursable costs are not overstated. Total visits from the cost reports will be summarized, and an all-inclusive cost per encounter will be calculated for each provider.

In developing the methodology, we will evaluate existing Medicare/Medicaid PPS rates and the basket of services included in these rates. We will also evaluate the services that comprise the WVCHIP benefit package and will determine the modifications that are needed to Medicare/Medicaid PPS rates based on differences in the services under the Medicaid and CHIP programs. We will review the various types of services performed by FQHC and RHC providers and will include in the methodology the computation of PPS rates by type of encounter. For example, WVCHIP desires separate medical and behavioral health PPS rates and may also desire separate PPS rates for dental services. We will work closely with WVCHIP to ensure that the methodology captures the necessary data and provides the appropriate outputs to develop service-specific PPS rates.

In conjunction with the development of PPS rates, we will also develop a methodology for determining counts of CHIP encounters, by type of encounter, as well as total payments to FQHC and RHC providers. This information is crucial in order for WVCHIP to identify CHIP utilization/volume as well as anticipated program payments under the PPS rate methodology. The determination of counts of encounters and resulting WVCHIP payments may be derived from UDS report information. WVCHIP may also want to evaluate if encounter counts and program payments may be accurately determined using WVCHIP paid claims information. We will work with WVCHIP to determine if this is a viable option, including evaluating whether the appropriate CHIP claims data may be obtained efficiently.

3. Calculate initial FQHC/RHC specific WVCHIP PPS rates

Utilizing FQHC/RHC Medicare cost reports, UDS reports, and other pertinent information, we will calculate FQHC and RHC CHIP PPS rates that are specific to each provider and specific to service categories (medical, behavioral health, dental, etc.). The rates will be developed in accordance with the methodology approved by WVCHIP and will be based on the requirements of BIPA and the services included in the WVCHIP benefit package. If requested by WVCHIP, we will communicate the developed rates to providers. We have extensive experience in other states presenting newly developed rates and other findings to the provider community and other program stakeholders. We will utilize our experience and existing processes, customized for WVCHIP, to communicate rates.

4. Develop methodology to calculate future rate updates and provide written documentation of the methodology

In addition to the development of the initial PPS rates and methodology, we will develop a methodology for calculating future rate updates. The methodology will include the inflation factor used to update PPS rates on an annual basis once established. The inflation factor specified by the BIPA legislation is the Medicare Economic Index (MEI) applicable to primary care services. Further guidance regarding the application of the MEI inflationary adjustment was provided by CMS in the form of a questions and answers (Q&A) document distributed to states. This guidance specified that the MEI is published annually in the Federal Register (approximately November or December of each year) and applies to services provided in the following year. States may inflate PPS rates by applying the MEI to the provider's next fiscal year or the calendar year following the publication of the MEI. We will work with WVCHIP to determine the appropriate inflationary methodology.

In addition to the annual MEI inflationary increase, PPS rates may also be adjusted if the FQHC or RHC experiences a change in the services provided. This is referred to in the BIPA legislation as a change in scope of services. Although the BIPA legislation does not define a change in scope of services, the above-referenced CMS Q&A guidance indicates that examples of changes in the scope of services include the addition or discontinuance of a service, or a change in the type, intensity, duration, and/or amount of services. Adjustments of PPS rates due to changes in the scope of services can be complex. States have a high degree of flexibility in designing change in scope of service methodologies, and such flexibility can result in inconsistent application and

provider confusion if the methodology is not properly designed and clearly communicated to providers. Therefore, states must have specific parameters for change in scope of service adjustments. Factors that contribute to complexity in this area include: definitions of the types of events that trigger a change in scope of services, the types of information that must be reviewed and the time period of such information, the calculation process for determining rate adjustments, whether a certain level of cost increase or other threshold must be reached before a rate change is recognized, and other programmatic details. We have extensive experience in other states developing and defending reimbursement methodologies for applying PPS rate updates due to changes in the scope of services provided. We will work with WVCHIP to develop a comprehensive methodology for updating future PPS rates based on changes in the services provided, changes in the WVCHIP benefit package, new FQHC/RHC service sites, and any other changes in the scope of services provided by FQHCs and RHCs.

The methodology for updating future PPS rates will also include a process for establishing rates for new FQHCs and RHCs. We will work with WVCHIP to develop the appropriate methodology for new providers. Options that WVCHIP may consider include establishing initial/interim PPS rates based on budgeted cost reports, or assigning the PPS rate for FQHCs and RHCs located in an adjacent area with a similar caseload. Options for establishing final PPS rates may include utilizing actual historical cost reporting experience for a base year or multiple base years, such as the clinic's first full cost reporting year or first two full cost reporting years.

We will develop thorough written documentation of the complete methodology for calculating future rate updates and will obtain approval of the methodology and procedures from WVCHIP.

5. Develop database of initial FQHC/RHC PPS rates

In conjunction with the methodology for applying future PPS rate updates, we will also develop a database of FQHC and RHC PPS rates and related provider information. This database will include at a minimum the following data elements:

- FQHC/RHC Federal Employer Identification Number (FEIN) and National Provider Identifier (NPI).
- FQHC/RHC name.
- FQHC/RHC service sites location addresses.
- Medicare/Medicaid base year PPS rates by type of encounter.
- Services included in Medicare/Medicaid base year rates by type of encounter.
- WVCHIP PPS rates by FQHC/RHC by type of encounter.
- Services included in WVCHIP PPS rates by type of encounter.

There may be other data elements of value to WVCHIP that should be included in the database, and we will maintain the flexibility to modify the report as needed. The database will be maintained in a format mutually agreed to by WVCHIP and Myers and Stauffer. We have successfully developed similar tools for other states that have been instrumental in assisting them maintain provider rate information.

6. Develop written documentation for WVCHIP to establish rates for FQHC/RHC providers that participate and are certified as medical homes

WVCHIP has expressed interest in potentially establishing rates for FQHCs and RHCs that participate and are certified by NCQA as medical homes. Under this option, a capitation rate structure will be implemented that may consist of fixed periodic payments per member (or similar at-risk model). Capitation rates are based on a variety of statistical factors and should be appropriate for the populations covered and the services provided. We look forward to working closely with WVCHIP on this issue, including assisting WVCHIP with adjustments to the rates developed under the West Virginia Public Employees Insurance Agency (PEIA) pilot project.

7. Develop training materials for WVCHIP staff to use to calculate future rate updates

Myers and Stauffer is committed to providing training that meets the needs of the program. We will develop comprehensive training materials for WVCHIP staff to use to determine future updates to FQHC and RHC PPS rates. If WVCHIP proceeds with the capitation model, we will also develop thorough training materials to establish rates under this option. Additionally, Myers and Stauffer's management and staff are available to prepare and provide additional training to state or provider personnel. If other training opportunities arise, we can work with WVCHIP to develop materials and programs to meet the needs of the target audience.

We strive to be a valued partner for our state Medicaid agency clients. Having worked in the Medicaid field for more than 30 years, we have seen that health care delivery and

reimbursement practices never stand still. Medicaid program officials are faced with the difficult task of managing their programs in this fluid environment while maintaining program expenditures within legislative appropriations. We appreciate the WVCHIP's desire for a qualified outside technical resource to support program officials with such a complex policy initiative. We look forward to serving WVCHIP in this capacity.

8. Present methodology and calculations to WVCHIP and advisory group

We believe it is imperative that all stakeholders be involved in any significant reimbursement changes. We will attend meetings as needed to present the methodology and calculations to WVCHIP and the advisory group. We will be available for other meetings or conference calls on an as needed basis. Meetings or calls will be attended by senior management of the project. We will be available to meet with WVCHIP as necessary. WVCHIP may want to schedule regular progress meetings to discuss the current status of the project and address upcoming or outstanding issues.

VII. Appendix

- A. Certificate of Authorization from West Virginia Secretary of State
- B. Myers and Stauffer LC Client Reference Letters - **CONFIDENTIAL**

**Certificate of Authorization
from West Virginia
Secretary of State**

State of West Virginia



Certificate

I, Betty Ireland, Secretary of State of the State of West Virginia, hereby certify that

MYERS AND STAUFFER LC

was duly authorized under the laws of this state to transact business in West Virginia as a foreign limited liability company on June 25, 2001.

The company is filed as a term company, for the term ending June 25, 2050.

I further certify that the company's most recent annual report, as required by West Virginia Code §31B-2-211, has been filed with our office and that a certificate of cancellation has not been filed.

Therefore, I hereby issue this

CERTIFICATE OF AUTHORIZATION



Given under my hand and the Great Seal of the State of West Virginia on this day of September 25, 2008

Betty Ireland

Secretary of State

**Myers and Stauffer LC
Client Reference Letters -
CONFIDENTIAL**



"People
helping people
help
themselves"

Frank O'Bannon, Governor
State of Indiana

Office of Medicaid Policy and Planning
402 W. WASHINGTON STREET, ROOM W382
INDIANAPOLIS, IN 46204-2739

Katherine L. Davis, Secretary

April 29, 1998

To Whom It May Concern:

This letter is a professional reference for the firm of Myers and Stauffer, LC, which has performed services for the State of Indiana in a variety of Medicaid health care reimbursement areas since 1982. I personally have been involved in activities with Myers and Stauffer since 1995, when they were awarded the hospital audit and rate-setting contract.

The services currently provided to us by Myers and Stauffer on the hospital contract include the following:

- 1) Ensure receipt of and perform desk reviews of cost reports for all Medicaid-enrolled hospital providers, including acute care hospitals, private psychiatric and rehabilitation hospitals, community mental health centers and state-operated hospitals.
- 2) Perform desk reviews of cost reports filed by hospitals to verify completeness and accuracy; create and adjust to a Medicaid statistical report from electronic claims data. Maintain claims database for purpose of claims data analysis.
- 3) Perform field audits of hospitals upon request of OMPP. Such field audits are either full scope in nature, or shall be focused on specific issues that are identified.
- 4) Determine which Medicaid-enrolled hospital providers qualify for disproportionate share hospital (DSH) payments. The determinations include preparation of a database that includes all information necessary to determine eligibility and calculate payment amounts.
- 5) Ensure receipt of cost reports related to provider-based RHC and FQHC expenditures from all enrolled providers. Conduct desk audits of provider data to identify necessary audits in order to insure the integrity of the reimbursement program.

Equal Opportunity / Affirmative Action Employer



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- 6) Perform field audits of provider-based RHC and FQHC providers to insure an equitable cost settlement. Develop Medicaid statistical reports based on claims data for use in final settlement calculations. Revise provider-submitted cost reports to reflect audit findings and issue a Title XIX Notice of Program Reimbursement (NPR) for each provider. Maintain an accounts receivable and accounts payable function associated with these settlement activities.
- 7) Perform periodic interim settlements to facilitate proper cost reimbursement for provider-based and free-standing RHCs and FQHCs, as appropriate.
- 8) Maintain staffing, data systems and other resources necessary to support rate setting under the DRG/LOC reimbursement systems, and perform tasks necessary to calculate updated DRG relative weights, hospital DRG base rates, hospital rates for the LOC, and other rates to support the State's inpatient prospective payment system.
- 9) Monitor the outpatient reimbursement system, and conduct fiscal analyses and rate setting activities related to the reimbursement of hospital outpatient services as deemed necessary by OMPP.
- 10) Conduct a study of APG outpatient reimbursement methodology including payment modeling and making recommendations to OMPP on changes to the payment methodologies.
- 11) Maintain current and appropriate rates for physician professional services reimbursed under the Resource-Based Relative Value Units (RBRVU) system and other professional and technical practitioner services; such as therapy, laboratory, and radiology services.
- 12) Develop revised dental reimbursement fee schedule as requested by OMPP and provide consultation services to evaluate OMPP dental reimbursement policies.
- 13) Provide additional analysis and support to evaluate Medicaid reimbursement levels in various non-institutional provider reimbursement categories, such as durable medical equipment, transportation, and other providers paid on a fee schedule basis.
- 14) Provide general consulting services on an as-needed basis to assist the OMPP with resolution of various program issues that arise.
- 15) Monitor Medicaid and Medicare legislation and federal rule making associated with all areas listed above and advise OMPP on those changes.

- 16) Prepare and provide supporting documentation and offer testimony at administrative and judicial hearings resulting from activities associated with all areas listed above.

The Office of Medicaid Policy and Planning, within the Indiana Family and Social Services Administration, has a staff of 70 persons and is responsible for administering Indiana's nearly \$3 billion Medicaid Program. Because our staff is small, the Office places great reliance on its many contractors for providing the analytical and program support necessary to properly evaluate and enhance Medicaid policy and program delivery.

Myers and Stauffer currently has three contracts with our Office: nursing facility case mix development and implementation; long term care rate-setting; and hospital rate-setting and auditing. All three were competitively procured with Myers and Stauffer selected as the optimal bidder for the State.

In its contractual capacity with the Medicaid Office, Myers and Stauffer has provided a staff of resources that are exceptionally well-trained, knowledgeable, professional, and unflinchingly supportive. Staff turnover that affects work performed under our contracts is rare, if not altogether nonexistent. Management of time and resources is outstanding as well.

Myers and Stauffer's overall performance and service delivery is unmatched by other contractors. Deadlines are always met or exceeded, work products are always comprehensive and of exceptional quality, and collaboration with appropriate State staff is always initiated and pursued with good judgment.

I highly recommend Myers and Stauffer for the performance of health care related services. Without their assistance, the Indiana Medicaid Office would not have been able to accomplish many of our short and long-term program and policy objectives.

Please feel free to contact me at (317)232-4318 if you have any questions concerning this letter of recommendation. I would be more than happy to discuss Myers and Stauffer's performance in greater detail.

Sincerely,

Pat Nolting

Pat Nolting, Director
Medicaid Program Operations-Acute Care

PN:jb

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IDAHO DEPARTMENT OF
HEALTH & WELFARE

DIRK KEMPTHORNE - Governor
KARL B. KURTZ - Director

DAVIDA ROGERS - Administrator
DIVISION OF MEDICAID
P.O. Box 83720
Boise, ID 83720-0036
PHONE 208-334-5747
FAX 208-364-1811

April 27, 2005

To Whom It May Concern:

I am pleased to offer this professional reference for Myers and Stauffer LC. I have personally worked with Myers and Stauffer since 2001 in my capacity as an Idaho Medicaid Division Deputy Administrator.

Myers and Stauffer first began consulting to the state of Idaho in 1992, establishing its Boise office in April of that year to exclusively serve as the State's audit and rate setting contractor. The State's contract for these services has been up for renewal four times since then, with Myers and Stauffer as the successful bidder each time. Myers and Stauffer provides traditional audit, desk review, and rate setting/settlement calculations for a wide variety of provider types including nursing facilities, ICFs/MR, hospitals, FQHCs, HHAs and RHCs. In this capacity, the firm has developed a detailed understanding of the Idaho Medicaid reimbursement environment.

Over the years, Myers and Stauffer has established itself as more than an audit contractor for the state of Idaho. We have utilized the firm's nationwide consulting resources and multi-state experience on many occasions to address a multitude of issues facing the Idaho Medicaid program. Myers and Stauffer has met every challenge and, in doing so, has developed a valuable consulting relationship with our staff. They have also developed a reputation among the Idaho Medicaid provider community for common sense, data driven recommendations. They are the contractor we turn to first when a question arises. For example, Myers and Stauffer has provided the following services in addition to the rate setting contract:

- Transitioned our ICF/MR program from retrospective reimbursement to a prospective payment system in 1996.
- Developed our case-mix reimbursement system for nursing facilities, which was implemented July 1, 1999.
- Maintains our CMS database containing MDS and OASIS data.
- Provides training to providers regarding the submission of MDS and OASIS data and an ongoing help desk to assist providers with the transmission process.
- Performs annual disproportionate share hospital (DSH) calculations.
- Developed a State Maximum Allowable Cost (State MAC) program for reimbursement of generic drugs to pharmacy providers.

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April 27, 2005

Page 2 of 2

Myers and Stauffer is sensitive to the budget restraints within which our state agency operates. It assigns highly competent staff to each of our projects and is accessible at all staffing levels. We have found the firm to be thorough, timely and accurate in its assignments. The staff have a comprehensive understanding of the Medicaid reimbursement field and conduct themselves in a highly professional manner when working with both state agency personnel and providers of health care services. Myers and Stauffer personnel have proven to be a valuable and effective resource for the state of Idaho.

It is without hesitation that the Idaho Division of Medicaid recommends Myers and Stauffer LC to other state Medicaid agencies requiring assistance in the field of health care reimbursement. Our Department has benefited from the firm's corporate commitment to our state, and considers the firm a "strategic partner" in addressing health care reimbursement needs for the most vulnerable populations in our state.

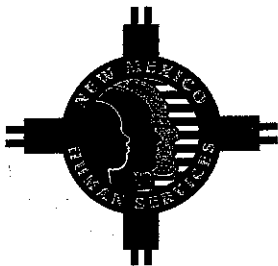
Sincerely,



RANDY MAY
Deputy Administrator

RM/ksl

CONFIDENTIAL



NEW MEXICO HUMAN SERVICES DEPARTMENT

P.O. Box 2348 Santa Fe, NM 87504-2348

MEDICAL ASSISTANCE DIVISION PROGRAM ADMINISTRATION BUREAU

August 20, 2004

To Whom It May Concern:

I am pleased to offer a letter of professional reference for Myer and Stauffer LC. Myers and Stauffer has served as the state's audit agent and consultant for hospitals, FQHC, HHA, and hospice reimbursement issues since March 1996. In July 2002, Myers and Stauffer became our audit agent and consultant for nursing facilities, ICF/MR, RTC, and ARTC audit and reimbursement issues. The knowledge and expertise they provide to our agency are invaluable to us in managing our current program and preparing for the future. The members of the Myers and Stauffer team are professional, competent, accessible and timely with their services and deliverables.

Myers and Stauffer's responsibilities under the hospital and nursing facility contracts include multiple functions related to each provider type, including the following:

- Performing audits and desk reviews of submitted cost information for the hospitals, FQHC, HHA, and hospice, nursing facility, and ICF/MR providers.
- Calculating settlements for cost reimbursed providers.
- Supporting the DRG payment methodology, including recalibration of DRG weights on an annual basis.
- Reconciling FQHC payments received through Medicaid and SALUD! (New Mexico's managed care program) to the prospective payment amount due to the provider.
- Calculating the upper payment limit for inpatient hospital services.
- Determining DSH eligibility and payment amounts based upon cost report data, and annual survey information requested from the facilities.
- Calculating prospective reimbursement rates for the nursing facility and ICF/MR providers on an annual basis.
- Preparing annual reports, summarizing key cost and statistical data from the audited cost report information.
- Analysis of potential cost containment measures and analysis of other state's cost containment measures.

Myers and Stauffer provides the Department with analysis and assistance in evaluating potential changes in policy. They have prepared and presented information to our healthcare associations in conjunction with rule changes or proposed reimbursement system changes. Myers and Stauffer's experience in multiple states enables them to offer the Department solutions that have

Recognized for Leadership and Excellence

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been tried in other states and to present the positive and negative attributes associated with those solutions.

Senior management of the firm is very accessible and takes an active role in our projects. I recommend Myers and Stauffer to any state requiring assistance with its Medicaid program.

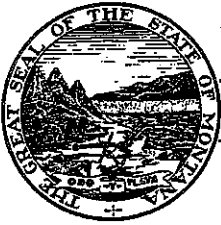
Sincerely,

A handwritten signature in cursive script that reads "Anna L. Bransford".

Anna Bransford, Financial Manager

Medical Assistance Division / Program Administration Bureau

DEPARTMENT OF
PUBLIC HEALTH AND HUMAN SERVICES



BRIAN SCHWEITZER
GOVERNOR

JOAN MILES
DIRECTOR

STATE OF MONTANA

www.dphhs.mt.gov

March 1, 2006

PO BOX 4210
HELENA, MONTANA 59604-4210
(406) 444-5622
FAX (406) 444-1970

To Whom It May Concern:

I am pleased to offer this letter as a professional reference for Myers and Stauffer LC. Myers and Stauffer has had an ongoing contractual relationship with the state of Montana since 1990, providing a wide array of professional services including Medicaid cost report audit services and consultation on complex state plan and reimbursement issues. Myers and Stauffer's performance is always exemplary. Their work products are professional, timely and accurate. The professional staff is highly competent, experienced, accessible and responsive to our requests for information.

Throughout the course of our relationship with Myers and Stauffer, they have demonstrated a thorough understanding of health care reimbursement issues through their knowledge of Medicare and Medicaid reimbursement principles. Their services include:

- Provide audit, reimbursement and consulting services related to changes in the reimbursement of long term care services in Montana.
- Process quarterly MDS information and generates RUG scores for nursing facilities, calculate nursing facility reimbursement rates and compute the UPL and rate to cost analysis on an annual basis.
- Developed a new case mix reimbursement system based on the Minimum Data Set and RUG-III classification system to replace Montana's current reimbursement system, which utilized management minutes.
- Performed audits on residential treatment centers to verify allowable costs used to set prospective rates.
- Performed a study of capital (property) reimbursement alternatives for the state to evaluate.

It is without reservation that I recommend the firm of Myers and Stauffer. If you have any questions, please call me at (406) 444-4147.

Sincerely,

A handwritten signature in cursive script that reads "Kelly Williams".

Kelly Williams, Administrator
Senior and Long Term Care Division

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STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

DEPARTMENT OF HUMAN SERVICES
KEVIN W. CONCANNON, DIRECTOR

November 10, 2006

Re: Reference for Medicaid Services Performed by Myers and Stauffer LC

I am writing on behalf of the Iowa Department of Human Services (DHS), to offer a professional reference for Myers and Stauffer LC.

The State of Iowa has worked very closely with Myers and Stauffer since mid-2000. During this time, they have provided rate-setting and technical assistance for multi-source prescription drugs, financial and claims payment analysis, nursing facility case mix reimbursement system development, long-term care facility rate-setting, performance of a Payment Accuracy Measurement (PAM) study and a Payment Error Rate Measurement (PERM) project, as well as extensive policy analysis and technical support in a number of other areas.

Since 2003, Myers and Stauffer has served as a contracted partner with the DHS in administering our Medicaid pharmacy services. General responsibilities involve development and maintenance of a State Maximum Allowable Cost (State MAC) program, which includes: implementation and update of the State MAC rate list, development of reports to aid the State in tracking performance of the State MAC program, and provider inquiry resolution.

In addition, Myers and Stauffer routinely assists the State in the evaluation of drugs for the State MAC or Preferred Drug List (PDL). In this capacity, they identify drugs that are eligible for the State MAC, along with their State MAC rates. These drugs and rates are used to evaluate the cost of the brand product and net supplemental rebates, in order to determine whether it is more advantageous for the brand product to be preferred on the PDL. This involves productive and frequent exchanges with the Iowa Medicaid fiscal agent contractor.

Myers and Stauffer also assists the State with evaluation of pharmacy program policy decisions. This has included careful scrutiny of over-the-counter drug claims for nursing facility residents, outpatient mental health pharmacy claims for institutionalized patients, research on placing MAC limits on flu vaccines, and reimbursement for specialty drug products. Regardless of the program area in which technical support is requested, Myers and Staffer is always willing and quick to respond to requests for assistance with related rule and policy changes. As an example, Myers and Stauffer has been invaluable in providing on-going assistance in evaluating the implications of the Deficit Reduction Act of 2005 (DRA) and new developments with Average Manufacturer Price (AMP) on the State's Medicaid Program and budget.

It is my pleasure to recommend the firm of Myers and Stauffer to any state agency requiring assistance in the healthcare reimbursement area. If you have any questions, please feel free to contact me directly.

Sincerely,

A handwritten signature in black ink, appearing to read "Eileen Creager", written over a horizontal line.

Eileen Creager
Bureau Chief
Iowa Department of Human Services

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 exceed five percent of the total contract amount.

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

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

WITNESS THE FOLLOWING SIGNATURE

Vendor's Name: Myers and Stauffer LC

Authorized Signature: *Kerrin S. Benay* Date: 8/24/10

State of Indiana

County of Marion, to-wit:

Taken, subscribed, and sworn to before me this 19 day of August, 2010.

My Commission expires June 8, 2013.

AFFIX SEAL HERE

NOTARY PUBLIC *Barbara R. Loeb*