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# Proposal for Services

*Submitted by:*

*Arnett Carbis Toothman LLP*

## **WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES "BUREAU FOR BEHAVIORAL HEALTH AND HEALTH FACILITIES"**

**Welch Community Hospital**

**William R. Sharpe Jr. Hospital**

**Mildred Mitchell-Bateman Hospital**

Proposal in Response to  
RFQ Number 0506 BHS 1600000001  
Buyer: RK/File 22  
Bid Opening Date: 9/9/15  
Bid Opening Time: 1:30pm

09/09/15 11:41:16  
WV Purchasing Division



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## ***OUR MISSION STATEMENT***

***“To be the best in the eyes of  
our clients, Team members,  
and owners. To be the Firm  
others are judged by.”***



actcpas.com

155 Eat Broad Street, Suite 2100  
PNC Building  
Columbus, Ohio 43215  
614.223.9209 office | 304.346.8333 fax  
800.642.3601

September 8, 2015

Mr. Robert Kilpatrick Purchasing Division  
2019 Washington Street, East  
P.O. Box 50130  
Charleston, West Virginia 25305

Re: RFQ BHS1600000001

Dear Mr. Kilpatrick:

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

Our responses to RFQ BHS1600000001 are presented in the following pages. We would, however, like to summarize several key reasons why Arnett Carbis Toothman LLP should be engaged as the Hospitals' accounting and consulting firm.

**First, we meet all of the mandatory requirements.**

**Second, we have experience working with these Hospitals.**

Our health care staff has extensive experience in serving the state-operated health care facilities. We have completed or reviewed numerous Medicare/Medicaid cost reports for all state-operated facilities. We have also developed financial management and revenue optimization plans for Mildred Mitchell-Bateman Hospital, Welch Emergency Hospital and William J. Sharpe, Jr. Hospital. Medicaid disproportionate share funding is significant and critical to the funding of the Hospitals operations. We have extensive experience with DSH programs for state hospitals as well as several years experience with the program in West Virginia.

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

In addition to being one of the largest firms in the nation with a specialized health care audit and consulting group, we are a member of the McGladrey Alliance. McGladrey is the fifth largest CPA firm in the United States. Through McGladrey and its Alliance members, we have the resources of a National firm which include health care professionals serving over 500 hospitals and systems annually. See Appendix B for more information.

**Finally, and most importantly, we offer value.**

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

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

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

Sincerely,

A handwritten signature in black ink that reads "Greg Gibbs". The signature is written in a cursive, flowing style.

Greg Gibbs, Partner

CGG/afw



## SECTION ONE Vendor Information

### **About Arnett Carbis Toothman**

ACT is a regional firm specializing in health care. The majority of the Firm's resources are dedicated to serving the health care industry. Many of the Firm's partners are dedicated full time to the health care industry.

Our office locations are in West Virginia, Pennsylvania, and Ohio. Our health care expertise, national resources and commitment to helping our clients succeed set us apart from all other accounting firms.

### **Your Professional Team and Continuity of Service**

ACT has 280 employees and 33 partners, many of which dedicate their time and energy to the health care industry.

ACT takes great pride in the fact that we uphold the highest standards of our profession. The continued growth of our Firm and our reputation depends upon our ability to maintain our technical competence and our awareness of the latest developments within the profession.

Our health care professionals are active in the health care industry. In addition, our health care professionals participate and provide numerous presentations on a national and regional level.

Your audit team will be comprised of seasoned health care professionals.

### **Quality Control**

Our quality control standards are outlined in our internal policies included in our quality control document. Each year we have either an internal inspection or peer review by an outside firm to determine compliance with our quality control procedures. Our quality control is enhanced by

employing well trained and qualified staff, by having mandatory review procedures and by development of a culture of quality.

### **Confidentiality**

Confidentiality of client data is a mandatory requirement of our staff. We reinforce this policy through training sessions and references to the Firm's quality control document which outlines confidentiality guidelines. We have regular staff meetings in which we discuss client confidentiality. Annually, we require each staff to sign independence questionnaires which address the issue of confidentiality. We also maintain a secure data transfer site for transfer of electronic data.

### **National and Local Health Care Expertise**

ACT is one of the Nation's leaders in providing services to health care organizations. We have a dedicated staff of health care professionals that provide services to health care organizations, primarily hospitals, in West Virginia, Ohio, Pennsylvania, Kentucky, and Virginia. We are an Alliance member of RSM McGladrey, the 5<sup>th</sup> largest firm in the world. RSM McGladrey and its Alliance members provide services to over 500 hospitals nationwide.

### **References**

Section Three contains a listing of our health care clients whom you may contact. We encourage you to inquire about the quality of our work and our client service philosophy.



## SECTION TWO Project Experience

Arnett Carbis Toothman LLP is one of the most highly recognized health care experts in the nation. We have achieved this status through a commitment of the Firm's resources to providing professional services to health care clients. We provide our health care clients with a unique mix of services including audits, Medicare and Medicaid reimbursement consulting, regulatory assistance, IT consulting, and tax services.

Our health care client base continues to grow because of our reputation and the results of the services we provide. Our reputation and quality work have resulted in clients requesting our services in over 45 states. While we provide professional services throughout the United States to various types of health care providers, our primary client base is hospitals and our primary service area includes West Virginia, Pennsylvania, Ohio, Kentucky, and Virginia. We believe our experience with a wide variety of diversified health care clients with benefit these three hospitals. The types of health care clients served include:

- Hospitals
  - Hospitals with hospital-based long-term care units
  - Regional Health care systems
  - Psychiatric hospitals and psychiatric units
  - Clinics and large physician groups
  - Academic medical practices
  - Emergency care centers
  - State Department of Health and Human Resources
  - Federal government
  - Physicians
  - Skilled nursing facilities
  - Intermediate care facilities
  - Continuing care retirement centers
  - Home health agencies
  - Foundations

- Employee Benefit Plans

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

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

### **State Operated Health Care Entities**

We have provided services to State operated hospitals and State operated long-term care facilities for over 20 years. These include Mildred Mitchell-Bateman Hospital, Welch Emergency Hospital, William J. Sharpe, Jr. Hospital, WV Rehab Hospital, Lakin State Hospital, and others. We have a thorough understanding of the State's accounting systems, budgetary process, and policies and procedures. Our experience will result in maximum efficiency in completing the task we are requested to perform.

**Key Point: We have significant experience with the state operated facilities.**

### **Medicare Cost Reporting**

Arnett Carbis Toothman LLP has unsurpassed Health care consulting experience. We have several staff with over thirty years of cost report preparation and reimbursement experience.

We prepare over 250 Hospital cost reports annually for both Medicare and Medicaid. In addition, we prepare cost reports for Home Health and Hospice Agencies, Rural Health Clinics, Skilled Nursing Facilities, FQHC's, and Home Office cost reports.

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

### **Health Care Authority (HCA)**

We have a thorough understanding of HCA reporting requirements and rate regulatory issues. Annually, we prepare approximately 20 HCA Uniform Reports and prepare or assist in preparing 5 to 10 rate applications. We also prepare, and/or review, the quarterly CBM-9 reports for several hospitals. Additionally, we participate in many rate hearings, working in conjunction with hospital legal counsel.

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

### **Appeal of Reimbursement Issues**

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

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

### **West Virginia Disproportionate Share Calculation (DSH)**

A substantial amount of the Hospital's funding comes from Medicaid disproportionate share payments. Arnett Carbis Toothman LLP's reimbursement staff has a detailed understanding of Federal regulations and the State Plan provisions relating to disproportionate share payments. We have performed these calculations for all qualifying state hospitals over the past twelve years and have assembled documentation to support the amounts claimed for future Federal audit purposes.

We also understand the interrelationship between each hospital's Medicaid utilization and the effect that changes in Medicaid utilization can have on

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

**Key Point: We can insure these hospitals are maximizing DSH revenue while remaining compliant with rules and regulations.**

### **Medicare Disproportionate Share Calculation (DSH)**

Acute care hospitals can benefit from the additional payments that the Medicare program will provide to hospitals that experience a large Medicare Part A inpatient population combined with a relatively large Medicaid inpatient population. The patient volume factors that influence the Medicare DSH payment must be reviewed periodically to ensure that a hospital is receiving its fair share of Medicare DSH payments.

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

### **Feasibility Studies**

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

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

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### **Hospital Based Physicians**

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

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

### **Revenue Cycle**

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

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





## SECTION THREE References

This section includes information about our clients and references that you requested. We have provided a list of references below with contact information. If you would like additional references, please let us know.

Client	Location	Contact Person	Phone	Services
Ohio Valley Health System	Martins Ferry, Ohio, and Wheeling, WV	Lisa Simon, CFO	(304) 234-8407	1,2,3,4
Pallottine Health System	Huntington, WV	Angela Swearingen, CFO	(304) 526-1224	1,2,3,4
Thomas Health System	South Charleston, WV	Dan Lauffer, CEO	(304) 766-3600	1,2,3,4
Princeton Memorial Hospital	Princeton, WV	Frank Sinicrope, CFO	(304) 487-7263	1,2,3,4
Davis Health System	Elkins, WV	Mark Doak, CEO	(304) 637-3156	1,2,3,4
Butler Healthy System	Butler, PA	Anne B. Krebs, VP Finance	(724) 284-4879	1,2,3,4
The Ellwood City Hospital	Ellwood City, PA	Christopher M. Little VP Finance/CFO	(724) 752-6819	1,2,3,4
Monongahela Valley Hospital	Monongahela, PA	Daniel F. Simmons, Sr. VP/Treasurer	(724) 258-1000	1,2,3,4
Ohio Department of Health	Columbus, OH	Lucrecia Johnson, Flex Coordinator	(614) 728-0519	2,4
Appalachian Regional Hospital	Lexington, KY	Joe Grossman, CEO	(859) 226-2468	2,4
Roane General Hospital	Spencer, WV	Doug Bentz, CEO	(304) 924-4444	1,2,3,4
Reynolds Memorial Hospital	Glen Dale, WV	David Hess, CEO	(304) 843-3236	1,2,4
Wetzel County Hospital	New Martinsville, WV	Edwin Szewczyk, CFO	(304) 455-8000	1,2,4
Preston Memorial Hospital	Kingwood, WV	Melissa Lockwood, CEO	(304) 329-1400	1,2,3

#### Services Rendered:

- 1 – Audit
- 2 – Reimbursement
- 3 – Tax
- 4 - Consulting



Arnett Carbis Toothman LLP utilizes the client-partner concept for all engagements. Under this concept, the client-partner has the ultimate responsibility for the engagement. **Greg Gibbs, CPA** has been designated as client-partner and he will have the following major responsibilities:

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

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

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

Individual	Classification	Responsibility
Keith Hutcheson	Partner	Responsible for technical reviews in the completion of the Medicare and Medicaid Cost Reports.
Chris Joseph	Partner	Responsible for providing accounting systems software support and training.
Chad Wright	Senior Manager	Responsible for assistance with completion of Medicare and Medicaid Cost Reports.
Justin Shumaker	Manager	Responsible for assistance with maintenance of the general ledger and accumulation of information to prepare all reports.



## SECTION FIVE License Requirements

# WEST VIRGINIA STATE TAX DEPARTMENT BUSINESS REGISTRATION CERTIFICATE

ISSUED TO:  
**ARNETT CARBIS TOOTHMAN LLP**  
**101 WASHINGTON ST E**  
**CHARLESTON, WV 25301-1516**

**BUSINESS REGISTRATION ACCOUNT NUMBER: 1035-2299**

This certificate is issued on: **01/12/2015**

*This certificate is issued by  
the West Virginia State Tax Commissioner  
in accordance with Chapter 11, Article 12, of the West Virginia Code*

*The person or organization identified on this certificate is registered  
to conduct business in the State of West Virginia at the location above.*

**This certificate is not transferrable and must be displayed at the location for which issued**  
This certificate shall be permanent until cessation of the business for which the certificate of registration was granted or until it is suspended, revoked or cancelled by the Tax Commissioner.

Change in name or change of location shall be considered a cessation of the business and a new certificate shall be required.

**TRAVELING/STREET VENDORS:** Must carry a copy of this certificate in every vehicle operated by them.  
**CONTRACTORS, DRILLING OPERATORS, TIMBER/LOGGING OPERATIONS:** Must have a copy of this certificate displayed at every job site within West Virginia.



State of West Virginia  
West Virginia Board of Accountancy  
405 Capitol Street, Suite 908  
Charleston, WV 25301-1744  
(304) 556-3557



West Virginia Board of Accountancy  
405 Capitol Street, Suite 908  
Charleston, WV 25301-1744  
(304) 556-3557

*The entry listed below was issued an*  
**Authorization to Perform**  
**Attest and/or Compilation Services**  
*for the period beginning*  
*July 1, 2015 through June 30, 2016*

Your fee has been received  
for your firm's Authorization to  
Perform Attest or Compilation  
Services in West Virginia.  
This Authorization may be  
detached and used  
until the date indicated.

Any errors in the  
attached information  
should be reported  
to the Board  
office at  
304/556-3557

**F0560A**  
**ARNETT CARBIS TOOTHMAN LLP**  
**101 WASHINGTON ST E**  
**PO BOX 2629**  
**CHARLESTON WV 25301-2629**

*Barry J. Bergman*  
Board President

*Virginia A. ...*  
Executive Director

*Barry J. Bergman*  
Board President

*Virginia A. ...*  
Executive Director



400 Quarrier Street Charleston, WV 25301-2010

**BrickStreet Mutual Insurance Company**  
A Mutual Company

**Workers Compensation and Employers  
Liability Insurance Policy**

Information Page	Policy Number		Policy Period	
	From	To	From	To
	WCB1022061		06/12/2015	06/12/2016 (12:01 AM at the insured location)
	<b>Renewal/Rewrite of Policy Number</b>			
	WCB1022061			
<b>1. Named Insured and Address</b>	<b>Agency Information</b>			
Arnett Carbis Toothman LLP PO Box 2629 Charleston, WV 25329-2629	2042 Ferrell & Hill Insurance Agency LLC PO Box 277 Madison, WV 25130			
Carrier No.	FEIN	Risk ID	Entity Type	
15762	55-0486667	470343230	Limited Liability Partnership (LLP)	

Additional Workplaces not shown above:  
Refer to Schedule of Locations Endorsement WC 99 06 02 (07-09)

2. The Policy Period is from 06/12/2015 to 06/12/2016 12.01am Standard Time at the insured's mailing address.
3. A. Workers Compensation Insurance: Part One of the policy applies to the Workers Compensation Law of the states listed here: WV PA  
  
B. Employers Liability Insurance: Part Two of the policy applies to work in each state listed in Item 3.A. The limits of our liability under part Two are:

Bodily Injury by Accident:	\$1,000,000.00	Each Accident
Bodily Injury by Disease:	\$1,000,000.00	Policy Limit
Bodily Injury by Disease:	\$1,000,000.00	Each Employee
- C. Other States Insurance: Part Three of the policy applies to the states, if any, listed here: All states and U.S. territories except North Dakota, Ohio, Washington, Wyoming, Puerto Rico, and the U.S. Virgin Islands, and states designated in Item 3.A. of the Information Page.
- D. This policy includes these endorsements and schedules: SEE ATTACHED SCHEDULE
4. The premium for this policy will be determined by our Manuals of Rules, Classifications, Rates and Rating Plans. All information required below is subject to verification and change by audit.

**DECLARATIONS  
ACCOUNTANTS PROFESSIONAL LIABILITY POLICY**

PRODUCER	BRANCH	PREFIX	POLICY NUMBER
<b>003613</b>	<b>970</b>	<b>APL</b>	<b>128570554</b>

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

1. Named Insured and Mailing Address

Arnett Foster Toothman PLLC  
101 Washington Street E  
P.O. Box 2629  
Charleston, WV 25301-1516

\* \* \* NOTICE \* \* \* \*

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

2. POLICY PERIOD: FROM: 10/01/14 TO: 10/01/15 at 12:01 A.M. Standard time at your address shown above.

3. PRIOR ACTS DATE: NO PRIOR ACTS DATE LIMITATION APPLIES at 12:01 A.M.

4. DEDUCTIBLE: Per Claim Deductible \_\_\_\_\_ or Aggregate Deductible \$200,000

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

<u>\$10,000,000</u>	PER CLAIM
<u>\$10,000,000</u>	AGGREGATE

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

7. PRINTED ENDORSEMENTS ATTACHED AT POLICY ISSUANCE INCLUDE:

- |   |   |
|---|---|
| G-127136-A(7/12) Policy                               | GSL7660XX Broad Form Bridge Endorsement |
| G-127137-A(7/12) Declarations Page                    |   |
| G-127157-A(6/97) Nuclear Energy & Pollution Excl.     |   |
| G-127164-A47(6/97) Amend. Termination Provisions - WV |   |
| G-141584-A(6/03) Policyholder Notice                  |   |
| G300201-A(10/05) WV Civil Justice Reform              |   |
| G300202A(10/05) WV Surcharge                          |   |
| G-127139-A Excl Named Individuals or Entities         |   |
| G-127153-A Deemed Predecessor Firm                    |   |

CONTINENTAL CASUALTY COMPANY

ACCOUNTANTS PROFESSIONAL LIABILITY POLICY

Amendatory Endorsement  
Amendment of Declarations

We agree with you that the following amendment is made part of your Policy:

The following items of the Declarations are deleted in their entirety and replaced by the following:

**Item. 1 Named Insured And Mailing Address :**

Arnett Carbis Toothman LLP  
101 Washington Street E  
P.O. Box 2629  
Charleston, WV 25301-1500

304-346-0441  
304-346-8333

ALL OTHER PROVISIONS OF THIS POLICY REMAIN UNCHANGED.

This endorsement is a part of your policy and takes effect on the effective date of your policy, unless another effective date is shown below

<i>Must Be Completed</i>		<i>Complete Only When This Endorsement Is Not Prepared with the Policy Or Is Not to be Effective with the Policy</i>	
ENDT NO	POLICY NO.	ISSUED TO	EFFECTIVE DATE OF THIS ENDORSEMENT
006	APL-128570554	Arnett Foster Toothman PLLC	1/01/2015

Countersigned by Richard D. King, Jr.  
Authorized Representative



## SECTION SIX Purchasing Affidavit

STATE OF WEST VIRGINIA  
Purchasing Division

### PURCHASING AFFIDAVIT

**MANDATE:** Under W. Va. Code §5A-3-10a, no contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and: (1) the debt owed is an amount greater than one thousand dollars in the aggregate; or (2) the debtor is in employer default.

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

**DEFINITIONS:**

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

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

"Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

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

**WITNESS THE FOLLOWING SIGNATURE:**

Vendor's Name: Arnett Carbis Toothman

Authorized Signature: *Greg Yule* Date: 9/5/15

State of West Virginia

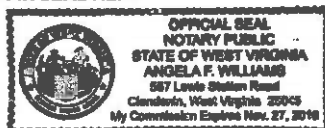
County of Kanawha, to-wit:

Taken, subscribed, and sworn to before me this 9<sup>th</sup> day of September, 2015

My Commission expires November 27, 2016.

AFFIX SEAL HERE

NOTARY PUBLIC *Angela F. Williams*



Purchasing Affidavit (Revised 08/01/2015)





## **SECTION SEVEN Vendor Preference Certificate**

**Request for Quotation**

**RFQ #0506 BHS 1600000001**

WV-10  
Approved / Revised  
08/01/15

State of West Virginia  
**VENDOR PREFERENCE CERTIFICATE**

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

**1. Application is made for 2.5% vendor preference for the reason checked:**

Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,

Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,

Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; or,

**2. Application is made for 2.5% vendor preference for the reason checked:**

Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,

**3. Application is made for 2.5% vendor preference for the reason checked:**

Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,

**4. Application is made for 5% vendor preference for the reason checked:**

Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; or,

**5. Application is made for 3.5% vendor preference who is a veteran for the reason checked:**

Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; or,

**6. Application is made for 3.5% vendor preference who is a veteran for the reason checked:**

Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.

**7. Application is made for preference as a non-resident small, women- and minority-owned business, in accordance with *West Virginia Code* §5A-3-59 and *West Virginia Code of State Rules*.**

Bidder has been or expects to be approved prior to contract award by the Purchasing Division as a certified small, women- and minority-owned business.

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

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

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

Bidder: Arnett Carbis Toothman

Signed:  9/9/15

Date: September 8, 2015

Title: Partner



## **SECTION EIGHT Addendums**

### **ADDENDUM #1**

**Questions and Answers**

**Request for Quotation**

**RFQ #0506 BHS 1600000001**

**ADDENDUM ACKNOWLEDGEMENT FORM**  
**SOLICITATION NO.: BHS1600000001**

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

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

**Addendum Numbers Received:**

(Check the box next to each addendum received)

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

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

Arnett Carbis Toothman  
 Company  
C. Greg Gibbs  
 Authorized Signature  
Sept. 8, 2015  
 Date

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

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**SOLICITATION NUMBER:** CRFQ 0506 BHS160000001  
**Addendum Number:** 1

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The purpose of this addendum is to modify the solicitation identified as ("Solicitation") to reflect the change(s) identified and described below.

**Applicable Addendum Category:**

- ] Modify bid opening date and time
- | Modify specifications of product or service being sought
- | Attachment of vendor questions and responses
- | Attachment of pre-bid sign-in sheet
- | Correction of error
- | Other

**Description of Modification to Solicitation:**

Addendum #1 issued to provide answers to Vendor-submitted Technical Questions, per Attachment A  
Bid Opening Remains September 9, 2015 at 1:30pm EST.

**Additional Documentation:** Documentation related to this Addendum (if any) has been included herewith as Attachment A and is specifically incorporated herein by reference.

**Terms and Conditions:**

1. All provisions of the Solicitation and other addenda not modified herein shall remain in full force and effect.
2. Vendor should acknowledge receipt of all addenda issued for this Solicitation by completing an Addendum Acknowledgment, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.

ATTACHMENT A

CRFQ 0506 BHS160000001  
ADDENDUM 1  
Technical Questions & Answers

**1. QUESTION: What are the current hourly rates by level for services charged by the current firm serving the Hospitals?**

**ANSWER: All-inclusive rate of \$85.00 per hour.**

**2. QUESTION: Approximately how many hours of service are expected for all services under the contract on an annual basis?**


**ANSWER: 3400**

**3. QUESTION: What type of fee schedules are being referred to in section 4.1.1.8 of the RFQ?**

**ANSWER: The fee schedule is the comprehensive listing of the amount invoiced for all reimbursable goods or services rendered to patients by the hospital. The fee schedule must be reviewed and adjusted periodically to reflect the changes in costs (both direct and allocated) that occur. Maintaining an accurate listing of usual and customary charges requires significant accountant involvement and projection.**

**4. QUESTION: Were there any disputes with the current firm providing these services?**

**ANSWER: No**

	Purchasing Division 2019 Washington Street East Post Office Box 50130 Charleston, WV 25305-0130	State of West Virginia Request for Quotation 34 - Service - Prof
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Proc Folder: 32141 Doc Description: OPEN END - TO PROVIDE PROF ACCT & FIN MGMT. (bhs15075) Proc Type: Central Master Agreement			
Date Issued	Solicitation Closes	Solicitation No	Version
2015-09-02	2015-09-09 13:30:00	CRFQ 0506 BHS1600000001	2

BID CLERK DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION 2019 WASHINGTON ST E CHARLESTON WV 25305 US
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Vendor Name, Address and Telephone Number: <i>Arnett Carbis Toothmen</i> <i>101 Washington St. East</i> <i>Charleston, WV 25329</i> <i>(304) 346-0441</i>
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FOR INFORMATION CONTACT THE BUYER Robert Kilpatrick (304) 558-0067 robert.p.kilpatrick@wv.gov
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Signature X <i>C. Greg Gibbs</i>	FEIN #	DATE <i>9/9/15</i>
All offers subject to all terms and conditions contained in this solicitation		



Addendum #1: To provide answers to vendor-submitted Technical Questions.

Bid Opening Date remains 9/9/2015.

The WV Purchasing Division, on behalf of the Agency, the WV Department of Health and Human Resources, Bureau for Behavioral Health & Health Facilities, Mildred Mitchell-Bateman Hospital, Welch Community Hospital, and William R. Sharpe Jr. Hospital, is soliciting bids for an open-end contract to provide professional accounting and financial management services, per the attached instructions, terms and conditions, and specifications.

BUYER TO		VENDOR	
PURCHASING AGENT - 304-356-4802 HEALTH AND HUMAN RESOURCES BBH/HF 350 CAPITOL ST, RM 350 CHARLESTON WV25301-3702 US		PURCHASING AGENT - 304-356-4802 HEALTH AND HUMAN RESOURCES BBH/HF 350 CAPITOL ST, RM 350 CHARLESTON WV 25301-3702 US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
1	Prof Acct'g & Fin Mgmt - Mildred Mitchell Bateman Hospital	900.00000	HOUR	114. <sup>00</sup>	102,600

Comm Code	Manufacturer	Specification	Model #
84111500			

Extended Description :

Section: 4.1.

Provide professional accounting and financial management to Mildred Mitchell-Bateman Hospital in Huntington, WV.

BUYER TO		VENDOR	
PURCHASING AGENT - 304-356-4802 HEALTH AND HUMAN RESOURCES BBH/HF 350 CAPITOL ST, RM 350 CHARLESTON WV25301-3702 US		PURCHASING AGENT - 304-356-4802 HEALTH AND HUMAN RESOURCES BBH/HF 350 CAPITOL ST, RM 350 CHARLESTON WV 25301-3702 US	

Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
2	Prof Acct'g & Fin Mgmt - William R. Sharpe Hospital	950.00000	HOUR	114. <sup>00</sup>	108,300

Comm Code	Manufacturer	Specification	Model #
84111500			

Extended Description :

Section: 4.1.

Provide professional accounting and financial management to William R. Sharpe, Jr. Hospital in Weston, WV

*Mary Gibbs 9/9/15*

PURCHASING AGENT - 304-356-4802 HEALTH AND HUMAN RESOURCES BBH/HF 350 CAPITOL ST, RM 350 CHARLESTON WV25301-3702 US		PURCHASING AGENT - 304-356-4802 HEALTH AND HUMAN RESOURCES BBH/HF 350 CAPITOL ST, RM 350 CHARLESTON WV 25301-3702 US	
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Line	Comm Ln Desc	Qty	Unit Issue	Unit Price	Total Price
3	Prof Accting & Fin Mgmt - Welch Community Hospital	1550.00000	HOUR	114.00	176,700

Comm Code	Manufacturer	Specification	Model #
84111500			

**Extended Description :**

Section: 4.1.  
Provide professional accounting and financial management to Welch Community Hospital  
in Welch, WV

**SCHEDULE OF EVENTS**

Line	Event	Event Date
1	Technical Questions Due by 3:00pm	2015-08-27

*Meg Gibbs 9/9/15*

**CERTIFICATION AND SIGNATURE PAGE**

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

Arnett Corbis Toothman  
(Company)

C. Greg Galt, Partner  
(Authorized Signature) (Representative Name, Title)

(304) 346 0441      9/9/15  
(Phone Number) (Fax Number) (Date)

Fax (304) 346 8333

CENTRALIZED REQUEST FOR QUOTATION  
CRFQ 0506 BHS160000001  
Professional Accounting & Financial Mgmt. Services

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**11. MISCELLANEOUS:**

**11.1. Contract Manager:** During its performance of this Contract, Vendor must designate and maintain a primary contract manager responsible for overseeing Vendor's responsibilities under this Contract. The Contract manager must be available during normal business hours to address any customer service or other issues related to this Contract. Vendor should list its Contract manager and his or her contact information below.

Contract Manager: Greg Gibbs  
Telephone Number: 304-346-0441  
Fax Number: 304 346 8333  
Email Address: greg.gibbs@actcpas.com



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

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

Proc Folder: 32141

Doc Description: OPEN END - TO PROVIDE PROF ACCT & FIN MGMT. (bhs15075)

Proc Type: Central Master Agreement

Date Issued	Solicitation Closes	Solicitation No	Version
2015-08-18	2015-09-09 13:30:00	CRFQ 0506 BHS1600000001	1

**BID RECEIVING LOCATION**

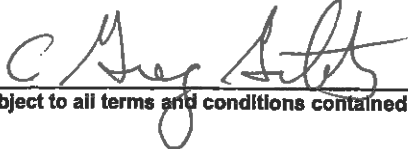
BID CLERK  
 DEPARTMENT OF ADMINISTRATION  
 PURCHASING DIVISION  
 2019 WASHINGTON ST E  
 CHARLESTON WV 25305  
 US

**VENDOR**

Vendor Name, Address and Telephone Number:

**FOR INFORMATION CONTACT THE BUYER**

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

Signature X  FEIN # 55 0486667 DATE 9/9/15

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