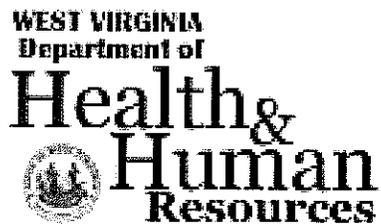


**A PROPOSAL FOR  
PROFESSIONAL ACCOUNTING,  
CONSULTING  
AND  
FINANCIAL MANAGEMENT SERVICES**

**STATE OF WEST VIRGINIA,  
DEPARTMENT OF ADMINISTRATION**

**RFQ# BHS90017**



**JUNE 23, 2008**

**RECEIVED**  
2008 JUN 23 A 9:41  
FINANCIAL SERVICES DIVISION  
STATE OF WV



**DIXON HUGHES** PLLC

Certified Public Accountants and Advisors

June 23, 2008

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

**RE: Proposal to Provide Professional Accounting,  
Consulting and Financial Management Services  
RFO# BHS90017**

Dear Sirs:

Dixon Hughes PLLC is pleased to present this proposal to provide professional accounting, consulting and financial management services to the State on behalf of its three hospitals. Our goal is to provide specific services needed by our clients. Our experience and skills in serving hospitals across the country reflects our commitment to the healthcare industry.

Services to healthcare providers represent the single largest component of Dixon Hughes PLLC. Currently, we have approximately 200 professionals providing services to hospitals and other healthcare-related organizations. Our experience with hospitals extends over thirty years and our team of professionals continues to grow. Through our mergers of long-standing firms in West Virginia and with the resources of a top-20 firm in the US, we can meet the expectations of the hospitals while providing the State a competitive fee.

As active members in the West Virginia health care community and national organizations, we emphasize the importance of being current on health-related issues of importance to our clients. Many of our professionals are active in state activities and associations.

We believe Dixon Hughes is your best choice to provide the wide array of professional accounting, consulting and financial management services. Our proposal addresses the hospitals' needs for accounting, revenue cycle, reimbursement advisory services and cost reporting, information system conversions and other types of financial management advice – services that will support the hospitals ability to function in an efficient, cost-effective manner.

If you need additional information, do not hesitate to contact us. We look forward to serving you.

Sincerely,

Richard L. Slater  
Managing Member

707 Virginia Street East  
Chase Tower, Suite 1700  
P.O. Box 1747  
Charleston, WV 25326  
Ph 304 343 0168 Fx 304 343 1895  
Toll Free 800 924 6697  
[www.dixon-hughes.com](http://www.dixon-hughes.com)

**GENERAL TERMS & CONDITIONS  
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)**

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. All quotations are governed by the *West Virginia Code* and the *Legislative Rules* of the Purchasing Division.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125.00 registration fee.
5. All services performed or goods delivered under State Purchase Orders/Contracts are to be continued for the term of the Purchase Order/Contract, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
6. Payment may only be made after the delivery and acceptance of goods or services.
7. Interest may be paid for late payment in accordance with the *West Virginia Code*.
8. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
11. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, this Contract may be deemed null and void, and terminated without further order.
14. **HIPAA Business Associate Addendum -** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.

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**INSTRUCTIONS TO BIDDERS**

1. Use the quotation forms provided by the Purchasing Division.
2. **SPECIFICATIONS:** Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Complete all sections of the quotation form.
4. Unit prices shall prevail in cases of discrepancy.
5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
6. **BID SUBMISSION:** All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications.

**SIGNED BID TO:**

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

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**Contacts:**

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**Richard L. Slater, CPA, Managing Member**  
Dixon Hughes PLLC  
707 Virginia Street, East  
Charleston, WV 25301  
304.343.0168  
rslater@dixon-hughes.com

# EXECUTIVE SUMMARY AND QUALIFICATIONS

Dixon Hughes PLLC is proposing to provide professional accounting, consulting and financial management services for the State of West Virginia, Department of Administration in relation to the following hospitals:

- Mildred Mitchell-Bateman Hospital
- Welch Community Hospital
- William R. Sharpe Jr. Hospital

The full scope of services is included in the applicable section of this proposal. In accordance with the Request for Proposal Quotation (RFQ) #BHS90017, dated May 22, 2008 and we are providing the following summary information related to the Firm and our experience.

Dixon Hughes PLLC currently maintains offices in Charleston, Morgantown and Fairmont, West Virginia. The WV offices became an integral part of Dixon Hughes with the merger of Doak, Cuppett and Poling (DCP) in 2001 and the merger of Simpson & Osborne, A.C. (S&O) in 2007. DCP had been in existence since 1983 and S&O had been in existence since 1974. Mr. Richard L. Slater (in the Charleston office) is the managing member of Dixon Hughes PLLC West Virginia. Dixon Hughes PLLC is registered in the State of West Virginia. Accordingly, Dixon Hughes PLLC meets the required 10-year experience requirement in the RFQ.

Both DCP and S&O had experience in hospital reimbursement, financial consulting in the healthcare industry, audits of hospitals, and other operational consulting operations prior to their respective mergers with Dixon Hughes. Subsequent to their mergers, the respective members and staff have continued to provide services to health care entities related to professional accounting, attest, tax, reimbursement, operations and other advisory services



In addition, other members and staff of Dixon Hughes have extensive experience in healthcare financial management and completing CMS cost reports, WV Healthcare Authority reports and other required regulatory reporting for hospitals. Accordingly, the members and staff of Dixon Hughes have had the requisite experience levels as stated in the RFQ;

- At least 5 years healthcare consulting experience,
- At least 3 years experience in CMS 339 reporting,
- At least 5 years experience with the WV Health Care Authority reporting, including the quarterly CBM-9 reports,
- At least 5 years experience in reimbursement regulatory research, and
- At least 5 years experience related to rate regulation.

Staff assignments by Dixon Hughes PLLC will be made in conjunction and will be acceptable with the CEO or CFO of the respective facility.

Dixon Hughes PLLC is proposing to do the work outlined in the RFQ and this proposal at the all-inclusive rate of \$148.00 per hour.

Dixon Hughes PLLC is ready to begin providing the requested services upon award of the bid and completion of the appropriate contracting procedures.



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## A B O U T   D I X O N   H U G H E S

- A super-regional Firm and the largest provider headquartered in the Southeast for healthcare accounting, tax and consulting services
- A dedicated healthcare practice, offering much more than traditional tax and accounting services
- A service team designed around the client's specific requirements
- An ongoing commitment, in the form of financial support, membership and leadership in hospital and healthcare associations
- Well-established relationships with government agencies, regulatory bodies and third-party payers

### A LARGE CPA FIRM WITH A NATIONAL PRESENCE

Dixon Hughes PLLC is in the top 20 of the nation's CPA firms. The Firm is the largest based in the Southeast and the largest provider headquartered in the region for healthcare accounting, tax and consulting services. The Firm's healthcare services extend nationally serving healthcare clients in almost all 50 states.

With over 200 people dedicated to the Healthcare practice, we focus on more than your accounting and financial needs. Our team of consultants provides strategic support for your planning, market assessment, facility planning, physician needs, capital planning, operational needs, and leadership needs.

### A DEDICATED APPROACH TO SERVING YOU

Focus, not size, is the key to our continuing growth in healthcare. We formed our dedicated healthcare practice in 1992, when it became apparent that our clients needed much more than traditional tax and accounting services. The

*We can meet your  
accounting, consulting,  
tax or audit  
requirements with ease,  
addressing virtually any  
issue that may arise.*



decision allowed us to immerse ourselves completely in the industry, developing a deep understanding of issues such as reimbursement, health information management, business planning, and operations improvement. We also began hiring experienced healthcare consultants, recognized authorities in the field who have helped hospitals and regional systems deal with key issues.

Today, we can offer insight and guidance at both the strategic and operational levels—to build market share, improve organizational efficiencies, manage revenues and comply with ever-changing regulations.

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*In our view, the Firm's  
defining characteristic is  
a hands-on, roll-up-the-  
sleeves approach to  
client service.*

---

#### **A SERVICE TEAM BUILT AROUND YOUR SPECIFIC REQUIREMENTS**

Each engagement is led by a single relationship partner. The relationship partner has the clout to direct all of our resources to your best advantage. This ability, backed by a group of dedicated, seasoned professionals, means Dixon Hughes can give you the service you need, the way you need it.

To us, this means plenty of “face time” and a proactive approach to your business. In our view, the Firm’s defining characteristic is a hands-on, roll-up-the-sleeves approach to client service. It’s helped us build strong relationships with our health care clients throughout the Southeast and beyond—and we believe it will serve you well, too.

#### **WELL-ESTABLISHED RELATIONSHIPS WITH GOVERNMENT AGENCIES, REGULATORY BODIES AND THIRD-PARTY PAYERS**

Over the years, we’ve built strong relationships with such governmental and regulatory agencies as the Department of Housing and Urban Development (HUD), State



Departments of Insurance, and various Medicare intermediaries and Medicaid agencies

---

*The Dixon Hughes  
management structure  
encourages a true  
entrepreneurial spirit  
and high-speed  
operational tempo.*

---

We have also developed a good working relationship with the West Virginia Healthcare Authority, the West Virginia Department of Tax and Revenue and other state agencies.

We're also part of a growing network of lawyers and bankers, all highly qualified in healthcare. These relationships mean we can monitor regulatory developments and share up-to-date knowledge—the kind that affects you today and tomorrow—so you can make well-reasoned, timely decisions. It all adds up to the kind of informed advocacy you need in today's complex healthcare environment.



# SCOPE OF PROPOSED SERVICES

Dixon Hughes PLLC is proposing to perform the following services for the State of West Virginia, Department of Administration in relation to the following hospitals.

- Mildred Mitchell-Bateman Hospital
  - Welch Community Hospital
  - William R. Sharpe Jr Hospital
- A. We will provide ongoing consulting to the Hospitals related to their accounting functions involving monthly, quarterly, and yearly analysis of financial statements, general ledger and supporting subsidiary ledgers as requested by the Bureau and/or Chief Financial Officer (CFO) or other designated official of the Hospitals. This will also include analyses of any required file conversions to ensure detail is correct as may be necessary and requested by the CFO or other designated official of the Hospitals.
- B. We will assist the Hospital business office and accounting personnel in processes to develop the data necessary to meet the Federal and State regulatory reports related to financial management as requested by the CFO or other designated official of the Hospitals
- C. We will provide technical support in the billing and collection process and recommend improvements, as applicable, as requested by the CFO or other designated official of the Hospitals
- D. We will provide a financial records analysis to the CFO or other designated official of the Hospitals as requested, which will be at least on a quarterly basis.



- E. We will provide reimbursement regulatory research and guidance to the CFO or other designated official of the Hospitals as requested
- F. We will prepare all Medicare (CMS 2552) cost reports, provider cost report reimbursement questionnaires (CMS 339) and applicable supporting documentation which are due during the contract period based on information that will be provided by the Hospital. These reports will be submitted to the Hospital for timely filing
- G. We will prepare all WV Health Care Authority reports and applicable supporting documentation which are due during the contract period based on information that will be provided by the Hospital. These reports will be submitted to the Hospital for timely filing.
- H. We will provide analysis and recommendations related to the Hospital fee schedules as requested by the CFO or other designated official of the Hospitals
- I. We will prepare all Medicaid disproportionate share calculations based on information that will be provided by the Hospital as requested by the CFO or other designated official of the Hospitals which will be at least annually.
- J. We will recommend improvements in cost reporting and reimbursement to gain consistency, as appropriate, among facilities. In addition, we will analyze revenue opportunities, as requested by the CFO or other designated official of the Hospitals, and recommend improvements as appropriate, focusing on the revenue cycle



# REVENUE CYCLE SERVICES

Dixon Hughes PLLC performs high level end-to-end evaluations of the 25 components of the hospital revenue cycle, as shown below. The assessment of revenue cycle functions covers components of the entire cycle from pre-encounter through post-encounter. This type of assessment covers areas not covered in the traditional assessment, including an assessment of medical records, coding, clinical documentation, third party contracts and your charge description master.

<b>Pre-Encounter</b>	<b>Encounter</b>	<b>Post-Encounter</b>
1. Scheduling	9. Clinical Care/ Documentation/ Transcription	16. Claims Preparation
2. Medical Necessity Determination	10. HIM	17. Claims Submission
3. Pre-Registration	11. Coding	18. Third Party Follow- Up
4. Registration and Demographic/ Insurance Validation	12. Charge Capture	19. Self-Pay Follow-Up
5. Insurance Verification	13. Charge Entry	20. Rejection Processing
6. Pre-Certification	14. Charge Description Master	21. Payment Posting
7. Financial Counseling	15. Billing Master	22. Payment Validation
8. Point of Service Collections		23. Denial and Appeal Management
		24. Contracts
		25. Uncollectibles Management



The assessment will consist of the following:

1. Pre-visit data analysis based on information to be provided by the Hospital to Dixon Hughes Hughes will need at least three weeks from receipt of the requested information to prepare for the on-site portion of the engagement.
2. A four-day site visit to review the 25 revenue cycle components. This site visit will include interviews, observations, and data review. We will work with the Hospital to schedule interviews prior to our arrival onsite.
3. A presentation to Management of findings at the end of Day 4 of the site visit. Included in the presentation will be recommendations and proposed next steps.

Based on the assessment and evaluation, a separate plan is issued to assist with the hospital with the implementation of next steps.



# R E I M B U R S E M E N T S E R V I C E S

## **MEDICARE/MEDICAID REIMBURSEMENT SERVICES**

In our experience, most hospitals and healthcare systems leave money on the table. We work closely with the hospital to identify reimbursement opportunities within the regulations, ensuring a more appropriate link between cost of care and reimbursement.

We focus on cost report preparation, reimbursement review services, audits, and appeals. Your service team is available to provide quarterly on-site consultations, keeping you up-to-date on industry changes and trends. These meetings give us an opportunity to review your payments, to make sure you take advantage of available opportunities while complying with program regulations.

Our consultants have concentrated knowledge in various reimbursement systems and can provide appropriate advice to help facilities make effective financial decisions. Services include interim analysis, benchmarking, profitability comparatives, long range planning, and financial projections.

## **CRITICAL ACCESS HOSPITAL EMPHASIS**

Because of the unique reimbursement mechanisms available to Critical Access Hospitals (CAH) Dixon Hughes has committed to assist these hospitals with tailored offerings specific to the needs of CAH's. In addition to cost report preparation we have assisted over 75 hospitals in 20 states with various feasibility studies, assistance with CAH



application submissions, survey preparation, and various reimbursement and financial analyses.

We firmly believe, due to the unique nature of CAH's, that interim cost reports be prepared to help track performance throughout the year. These reports encompass computing the estimated Medicare settlements and estimating Medicare AR reserves. Depending on variations in costs, patient day activity, and ancillary utilization, major variations in Medicare reimbursement can result in either significant payables to or receivables from the Medicare program. Interim cost reports help to track these variations during the year to allow requests in Medicare interim payment rates.

#### **MEDICARE BAD DEBTS**

With the ever-increasing scrutiny of fiscal intermediaries and auditors into the allowability of Medicare bad debts it is imperative facilities prepare accurate and complete bad debt logs in support of amounts claimed through the cost report. Providers should also strive to claim all bad debts to which they are entitled.

Dixon Hughes can help you identify and report all inpatient, outpatient, and crossover bad debts. We utilize the facility's internal patient and collection information, Medicare and Medicaid remittance & electronic PS&R data, and facility policies and procedures to identify dollars that are eligible for Medicare reimbursement. We can then assist in the preparation the appropriate bad debt logs for submission with the cost report. Dixon Hughes can also work with your personnel to setup appropriate mechanisms to keep you up-to-date prospectively.



# F E E S   F O R   P R O P O S E D S E R V I C E S

Our fees are based on the time required and will be billed at the all-inclusive fixed rate of \$148 00 (One Hundred Forty-Eight Dollars) per hour for the contract period of one (1) year from the date of the contract. Expenses for travel, meals, lodging, printing and report production will be charged as part of the all-inclusive rate above. We are sensitive to the financial challenges facing the State and healthcare providers and will minimize fees to the extent possible within the scope of this project, as directed by the CFO or other designated official of the hospitals.

As stated in the RFQ, the State estimates that a total of 3,350 hours will be requested. The estimates below do not represent the minimum or the maximum amount of time necessary to perform the scope of the engagements listed in the RFQ but merely the estimate by the respective hospital of their needs

Mildred Mitchell-Bateman Hospital – 900 hours

Welch Community Hospital – 950 hours

William R. Sharpe Jr. Hospital – 1,500 hours

Accordingly, our estimated fees will be \$495,800 for the estimated 3,350 hours at \$148 per hour.

We are proposing to provide the outlined services at the direction of the Bureau, CFO or other designated official of the respective hospital (Official). That Official will be responsible for directing us as to the scope of assistance needed by that Hospital for each of the services outlined. We will work with the Official to define the work to be completed, the expectations, the need for on-site services, the appropriate staff to produce the expected results, the timeline for the services, etc. In accord with those expectations, we will assign



the appropriate member or staff person(s) from the resources of Dixon Hughes in order to meet the expectations. As the various projects and requests for specific services develop, we can provide estimates of fees relative to the specific projects requested.

Our fees will be billed periodically (usually monthly) as work progresses. The billings will be detailed by project and advisory service and will be applicable to each respective hospital. The invoices will be due upon receipt.

Travel time will be billed at the all-inclusive hourly fee for travel to/from the Hospital from our nearest WV office to the respective hospital, without regard to the actual travel time of the individual staff person. This methodology assures the State that unreasonable travel time will not be billed.

A summary of other services we can provide, as appropriate and requested by the Hospital, are listed in a separate section of this proposal in Appendix B.



# DIXON HUGHES AND YOUR SERVICE TEAM

Our experience in serving healthcare providers extends over thirty (30) years. Our critical access hospital, acute care hospital, rural health clinic (RHC), long-term care and federally qualified health center (FQHC) clients are located across the country and include freestanding, provider-based, tax-exempt, and proprietary organizations. Our healthcare clients range from \$50,000 to in excess of \$300,000,000 in annual revenues. This diversity of clients serves all of our clients well as we observe practices and techniques that have application to others.

Inasmuch as these clients are quite diversified, we are continuously involved in maintaining an up-to-date understanding of the issues impacting these organizations, including:

- Strategic and facility planning
- Cost reporting issues
- Medicare/Medicaid program and payment issues
- Survey and licensure
- Inpatient and outpatient facilities
- OIG compliance-related issues
- Physician billing and compliance issues
- Vendor understanding (clinical/billing software)
- Tax-exempt related issues including foundations and fund-raising activities
- Merger/acquisition services and assistance
- State and local tax considerations

We have provided a vast array of services to our rural healthcare clients including:

- Assistance with capital financing
- Board development and education



- Certification and survey preparation
- Clinical reviews
- Corporate compliance plan development and review
- Due diligence services
- Feasibility studies
- Independent review of organization activities under corporate integrity agreements
- Market Assessments
- Medicare and Medicaid cost reporting
- Medicare overpayment disclosure
- Organizational consulting
- Physician billing and documentation review and training
- Policy and procedure development
- Physician needs analysis
- Strategic planning

We have also committed ourselves to providing our clients and the industry with quality educational offerings beyond those available through state and national resources and periodically offer programs in cost report preparation, financial reporting, board education and training and leadership development. We take being a leader in serving rural healthcare providers seriously in our approach to client service and our industry involvement. This is no different from the approach we take toward all segments of the healthcare industry as we serve extensive numbers of hospitals, physicians, nursing homes, CCRCs, and other healthcare providers.

We have provided brief biographies of those individuals assuming key roles in the services being proposed for the State of West Virginia and the Department of Administration. Additional resources will be drawn from the healthcare consulting division as needed. The individual responsible for the services you select will be determined through discussions with you to assure the appropriate match.



**Tommy Barnhart, CPA** – Tommy will serve as the Member-in Charge of all services rendered and will provide direct oversight for the cost reports and reimbursement services.

**Rick Slater, CPA** – Rick will assist in directing the financial management and accounting guidance. Rick will be in frequent communication with Tommy to ensure that all needed Firm resources are brought to bare, including the provision of service related to accounting, tax, and financial management services.

**Trent Messick, CPA** – Trent will serve to assist with the cost reports and reimbursement services.

**Joe Barnes, CPA** – Joe has extensive healthcare experience and will be responsible for the completion of the cost reports.

**Ryan Lindsay, CPA** – Ryan will assist with the financial management and accounting guidance.

**Robert (Bob) Milvet, CPA** – Bob will assist with the various financial management advisory services in the engagement

**Christy Conaway, CPA** – Christy will assist with cost report preparation

**Jim Poling, CPA** – Jim will assist with financial management and accounting guidance.

**Zach Kerns, CPA** – Zach will assist with financial management and accounting guidance.

**Allison Ballard, CPA** – Allison will assist with general accounting services.

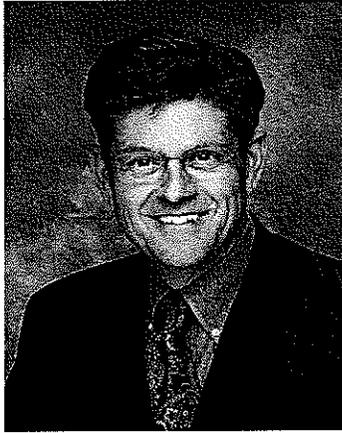
**Lydia McKee, Esq.** – Lydia will assist Rick in providing any needed federal/state tax consulting or compliance needs.

**Jake Levy** – Jake, with his extensive experience in health information systems (HIT) will be in charge of systems-specific services.

**Rich Rollins, CPA** – Rich will be leading the revenue cycle aspect of the engagement.

**P. J. Tomolonius** – PJ will, with her extensive experience in revenue cycle assist with the evaluation and improvement of the revenue cycle.





### **Tommy Barnhart, CPA**

Dixon Hughes PLLC  
One West Fourth St.  
Winston Salem, North Carolina 27101  
Phone: 336-714-8100  
tbarnhart@dixon-hughes.com

#### **Profile**

Tommy Barnhart has over 30 years of experience in healthcare finance and operations, working with hospitals, long-term care providers, home health agencies, hospices, clinics and other healthcare entities. He has consulted on a wide variety of financial management and operational issues, including:

- Preparation of facility operating and capital budgets.
- Rate setting, including procedure and departmental level
- Evaluating the financial management operations of various healthcare entities and assisting with the implementation of new financial management and information systems.
- Designing, evaluating and implementing electronic communication systems for various provider types.
- Assistance with capital planning, financing and certificate of need issues related to new construction or renovations.
- Preparation and analysis of cost reports for healthcare entities.
- Assistance with various appeals of Medicare and Medicaid
- Reimbursement and billing issues

#### **Professional/Civic Organizations**

- Fellow in the Healthcare Financial Management Association
- Member of the American Institute of CPAs, the North Carolina Association of CPAs, the Virginia Society of CPAs
- Virginia Rural Health Association
- National Rural Health Association (NRHA) of which he is
  - Member -Policy Board
  - Chair of the Rural Health Clinic Constituency Group
  - Member - Board of Trustees, Government Affairs





**Richard L. Slater, CPA**  
Managing Member

Dixon Hughes PLLC  
707 Virginia Street, East  
Suite 1700, Chase Tower  
Charleston, WV 25301  
Phone: 304.363.0168

[rslater@dixon-hughes.com](mailto:rslater@dixon-hughes.com)

### Profile

Rick is a corporate tax consultant and Managing Member of West Virginia Practice of Dixon Hughes PLLC. He spent 14 years with Ernst & Young and has over 18+ years of tax and business consulting experience. He has served in strategic advisory capacities for numerous clients involved in mergers and acquisitions, international trade, capital structuring, tax restructuring plans, business incentives and grants, public/private development plans, and UBI and state and local taxation.

He has also worked with many companies in entity selection, raising capital, and research and development spending. In the area of healthcare and state taxation Rick is generally thought of as one of the preeminent tax advisors in the market. For hospitals, his significant work with West Virginia Provider tax, sales and use tax, conflict of interests, joint ventures, intermediate sanctions, and private inurement adds tremendous value to hospital financial results. He is involved in many leadership capacities related to economic and tax policies affecting the State of West Virginia.

### Education

Bachelor of Science in Accounting, Marshall University

### Professional/Civic Activities

- West Virginia Roundtable – Chairman, Tax & Economic Policy
- Appointed as Vice Chairman to Governor Manchin of West Virginia Economic Development Authority (WVEDA)
- Recently Selected by West Virginia Executive Magazine as one of the 50 Most Influential Business Leaders in the State of West Virginia
- Healthcare Financial Management Association (HFMA)
- Marshall University – Chairman, Lewis College of Business Advisor Board
- Putnam County Development Authority – Chairman of Board of Trustees
- AICPA
- West Virginia Society of Certified Public Accountants





**J. Trent Messick, CPA**

Dixon Hughes PLLC  
One West Fourth St.  
Winston Salem, North Carolina 27101  
Phone: 336-714-8100

[tmessick@dixon-hughes.com](mailto:tmessick@dixon-hughes.com)

**Profile**

Trent has approximately 14 years of experience in the healthcare industry working with hospitals, long-term care facilities, home health agencies, rehabilitation agencies, and other healthcare entities. His healthcare experience includes serving in the financial accounting and budgeting capacity for a multi-hospital healthcare delivery system in the Southeastern U.S.

Trent utilizes his extensive Medicare/Medicaid experience to serve healthcare clients in the areas of cost reports, appeals, feasibility studies, reimbursement analysis, and certificates of need work. He is well-respected in the healthcare community and is frequently asked to speak at and/or serve on committees of various trade organizations.

**Education**

Bachelor of Science, University of North Carolina at Charlotte

**Professional/Civic Organizations**

- American Institute of Certified Public Accountants (AICPA)
- North Carolina Association of Certified Public Accountants (NCACPA)
- Healthcare Financial Management Association (HFMA)
- Board Member, Westside Civic Theatre





**Joe Barnes, CPA**

Dixon Hughes PLLC  
One West Fourth Street, Suite 700  
Winston-Salem, NC 27101  
Phone: 336 714 8100

[jbarnes@dixon-hughes.com](mailto:jbarnes@dixon-hughes.com)

**Profile**

Joe Barnes has thirty years of experience working in the healthcare industry. Due to his cost-based reimbursement experience, Joe provides reimbursement consulting and cost reporting services to numerous critical access hospitals, federally qualified health centers and rural health clinics.

Joe frequently conducts educational sessions for rural health providers on such topics as maximizing revenues in FQHCs, evaluating operational issues in CAHs, cost-based reimbursement for FQHCs and RHCs and pay for performance.

**Professional/Civic Organizations**

- American Institute of Certified Public Accountants
- American College of Healthcare Executives
- National Rural Health Association
- Healthcare Financial Management Association





**J. Ryan Lindsay, CPA  
Manager**

Dixon Hughes PLLC  
707 Virginia Street, East  
Suite 1700, Chase Tower  
Charleston, WV 25301  
Phone: 304 363 0168

[rlindsay@dixon-hughes.com](mailto:rlindsay@dixon-hughes.com)

**Profile**

Ryan Lindsay is a member of the Assurance Group and has over seven years experience in auditing financial statements, consulting on accounting and financial issues, and preparing tax returns. He has experience serving hospitals and large not-for-profit organizations. Mr. Lindsay has attended some of the top continuing education seminars including the AICPA Not-For-Profit Industry Conference and many regional and national healthcare conferences

**Education**

Bachelor of Science in Business Administration (major in accounting), West Virginia University

**Professional/Civic Organizations**

- Board of Directors of the West Virginia Society of CPAs-Charleston Chapter
- American Institute of Certified CPAs
- ProKids, Inc, a non-profit after-school program in Charleston (Treasurer)
- Charleston Area Alliance – Young Professionals Group
- Chairperson for the WVSCPA Annual Conference for Industry and Government Professionals





**Robert W. (Bob) Milvet, Jr., CPA**  
Senior Manager

Dixon Hughes PLLC  
150 Clay Street, Suite 410  
Morgantown, WV 26507  
Phone: 304.292.7343

[bmilvet@dixon-hughes.com](mailto:bmilvet@dixon-hughes.com)

### **Profile**

Mr. Milvet is a Senior Manager with the Firm's Healthcare Consulting Group. He has over 10 years experience in Health Care financial management, including community acute care hospitals, critical access hospitals, physician group practices, and academic medicine. He joined the firm after serving as the Vice President of Finance for a major academic medical center and physician group practice. Prior to his industry work, he served a broad group of clients with a "Big 4" CPA firm.

### **Education**

- Bachelor of Science in Business Administration/  
Accounting, West Virginia University
- Licensed in WV

### **Professional / Civic Activities**

- United Way of Monongalia and Preston Counties  
Volunteer
- United Way of Monongalia and Preston Counties Past  
Board Member and Treasurer
- American Institute of Certified Public Accountants
- Critical Illness and Trauma Foundation Inc. Board  
Member (Bozeman, MT)





**Christy Conaway, CPA**

Dixon Hughes PLLC  
19 Middletown Road  
Whitehall, WV 26554  
Phone: 304 368.0580 ext 138  
cconaway@dixon-hughes.com

**Profile**

Christy Conaway has over 11 years experience in public accounting. Her primary focus at the Firm is serving healthcare clients, including hospitals, nursing homes, RHC/FQHCS, and home health agencies. During the past 11 years, Christy has provided the following services to the Firm's healthcare clients:

- Supervision of financial statement audits and compilations
- Preparation of cost reports for hospitals, nursing homes, RHC/FQHCs, home health agencies, hospices and home offices
- Preparation of rate applications and uniform reports for hospitals, including general budgeting & projections, and other WVHCA required filings.

Other specific experience includes nonprofit tax return preparation and audits of employee benefits programs

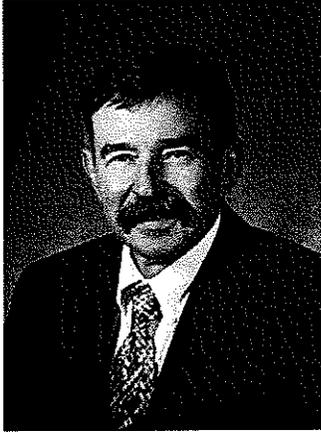
**Education**

- Bachelor of Science in Business Administration (Accounting), Fairmont State College

**Professional/Civic Organizations**

- West Virginia Society of CPAs
- Central Chapter of WVSCPAs
- Healthcare Financial Management Association
- Home Health Financial Management Association





**Jim Poling, CPA**

Dixon Hughes PLLC  
19 Middletown Road  
White Hall, WV 26554  
Phone: 304 368 0580

[jpoling@dixon-hughes.com](mailto:jpoling@dixon-hughes.com)

**Profile**

Jim Poling has over thirty years of public accounting experience serving various businesses and individuals, including extensive experience with hospitals, nursing homes, home health, hospices, physician practices and other health care entities as well as various types of small businesses and their owners.

Jim has extensive experience in accounting, auditing, tax return preparation, cost reporting, budgeting, finance, and general business consulting to clients.

Jim regularly assists clients in various aspects of computerized accounting systems including selection, implementation and personnel training.

**Education**

B.S. Business Administration in Accounting, Fairmont State College, Fairmont, West Virginia

**Professional/Civic Organizations**

- American Institute of Certified Public Accountants
- West Virginia Society of Certified Public Accountants
- West Virginia Health Care Association





**Zach Kerns, CPA**

Dixon Hughes PLLC  
19 Middletown Road  
White Hall, WV 26554  
Phone: 304 368 0580

zkerns@dixon-hughes.com

**Profile**

Zach serves as the Audit Manager for numerous healthcare audit clients, including hospitals. On other hospital audit clients of the Firm, Zach is designated responsibility for revenue and receivable components of the audit process. His audit experience includes long-term care, physician practices, CCRCs and other healthcare components of larger healthcare systems. Complimenting his audit experience, Zach has worked with and is familiar with Medicare cost reports, Medicaid cost reports, financial & statistical analysis reports, West Virginia hospital uniform reports, and other regulatory filings. He is extensively involved in the use of electronic applications in the audit process, including data extraction software used by the Firm.

Zach's emphasis on accounting and auditing includes implementation of new auditing standards in the Fairmont, WV office, especially as they relate to the provision of auditing services to healthcare providers

**Education**

Bachelor of Arts in Public Accounting, Marietta College

**Professional/Civic Organizations**

- West Virginia Society of Certified Public Accountants
- American Institute of Certified Public Accountants
- Health Care Financial Management Association





**Allison D. Ballard, CPA**  
**Senior Manager**

Dixon Hughes PLLC  
707 Virginia Street East  
Suite 1700, Chase Tower  
Charleston, WV 25326  
Phone: 304 343 0168

[aballard@dixon-hughes.com](mailto:aballard@dixon-hughes.com)

### **Profile**

Ms Ballard is member of the both the Firm's Assurance Group and Employee Benefit Plan Services Group, and provides services to a diverse range of industries including hospitals and large not-for-profits. She has over 10 years of experience in public accounting, including six years with the Vienna, VA office of Arthur Andersen. She has experience with auditing and financial advisory services for pension plans.

Ms. Ballard holds a Bachelor of Science Degree in Accounting from Washington and Lee University in Lexington, VA and is licensed to practice in both West Virginia and Virginia. She is also actively involved in a number of community and civic activities in the Charleston area, and is currently the President of the Junior League of Charleston, WV.

### **Education**

- Bachelor of Science in Accounting, Washington and Lee University
- Licensed in WV and VA

### **Professional/Civic Organizations:**

- West Virginia Society of CPAs
- American Institute of Certified CPAs
- Junior League of Charleston, WV (President)





**Lydia S. McKee, Esq.**  
**Senior Manager**

Dixon Hughes PLLC  
707 Virginia Street, East  
Suite 1700, Chase Tower  
Charleston, WV 25301  
Phone: 304.343.0168

lmckee@dixon-hughes.com

### **Profile**

Lydia is a Senior Manager with Dixon Hughes PLLC specializing in the state and local tax area

Before working at Dixon Hughes, Lydia spent five years with the Charleston office of Ernst & Young working in the state and local tax area where she supervised several sales and use tax, health care provider tax, unclaimed property, franchise and income tax reviews for various companies.

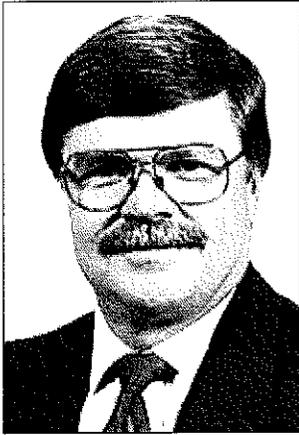
Lydia has sixteen years experience with the West Virginia Tax Commission. She acted in several capacities with the Tax Commission, including General Counsel to Revenue Operations and Assistant Tax Commissioner. During her tenure at the State, Lydia participated in the drafting of tax legislation, formulation of tax policy, and the addressing of tax issues of a wide variety of industries, including natural resource, health care and manufacturing.

She has addressed a number of groups on state tax issues, including the West Virginia Tax Institute and West Virginia CPA Society.

### **Education**

- Bachelor of Science in Business Administration, West Virginia University
- Doctor of Jurisprudence, West Virginia University College of Law





**Rich Rollins**  
Member

Dixon Hughes PLLC  
2505 Meridian Parkway, Suite 200  
Durham NC, 27713  
Phone: 919 484 0630  
rrollins@dixon-hughes.com

**Profile**

Rich has over 30 years of experience in public accounting, and much of this has been spent working with Big 4 firms. During his accounting career, he has provided a broad range of healthcare consulting services including third-party reimbursement, financial feasibility studies, total quality management, business process reengineering and operations improvement. He has performed over 50 financial feasibility studies, with associated debt issues ranging from approximately \$15 million to over \$300 million. Rich writes and speaks frequently on a number of healthcare topics such as business process reengineering, benchmarking and reengineering the care delivery process.

**Education**

University of North Carolina, B.S. (Accounting)

**Professional/Civic Organizations**

- American Institute of Certified Public Accountants (AICPA)
- Healthcare Financial Management Association (HFMA) Past President of the North Carolina Chapter





**P.J. Tomolonius**  
Senior Consultant

Dixon Hughes PLLC  
2505 Meridian Parkway  
Suite 200  
Durham, North Carolina 27713  
Phone: 919-433-1400

ptomolonius@dixon-hughes.com

**Profile**

P.J. is a senior consultant with 20 years of leadership experience in the management of patient accounts receivable and patient access services. Her consulting experience includes operational assessments, business process reengineering, benchmarking, project implementation, and staff training. In conjunction with this experience, she has held interim Director positions with responsibility for pre-registration, registration, billing, cash posting, third-party follow-up, and legal and self-pay collections.

P.J. has also served as a senior consultant/designer in various revenue recovery projects for the purpose of identifying and implementing process improvement opportunities with a primary emphasis on short-term cash turnarounds and long-term process improvements that fundamentally accelerate processes associated with billing and collection of hospital accounts.

**Education**

- BA degree in Sociology, University of North Carolina at Chapel Hill
- Attended the Quorum Health Resources, Patient Financial Services Director training

**Professional/Civic Activities**

Member, North Carolina Chapter, Healthcare Financial Management Association



A P P E N D I X A  
R E F E R E N C E S

We have selected the following references that represent projects that include hospital, reimbursement and financial management services.

**Bath County Community Hospital**

Hot Springs, VA 24445  
Contact: James A. Greer  
Telephone: 540-839-7041

**Camden Clark Memorial Hospital**

Parkersburg, WV  
Contact: Allen Butcher, CFO  
Telephone: 304-424-2202

**CAMC Health System**

Charleston, WV  
Contact: Larry Hudson, CFO  
Telephone: 304-388-7603

**WestCare Health System**

Sylva, North Carolina 28779  
Contact: Pam Buchanan  
828-586-7103

**Cabell Huntington Hospital**

Huntington, WV 25701  
Contact: Monte Ward  
Senior Vice President and Chief Financial Officer  
Telephone: 304-526-2055



A P P E N D I X B  
D I X O N H U G H E S P L L C  
H E A L T H C A R E S E R V I C E S

---

*There's virtually  
nothing you need that  
we can't provide.  
Most importantly,  
everything we offer  
comes with the kind of  
responsive,  
personalized attention  
that reinforces the  
value we place on client  
relationships.*

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#### EXECUTIVE SUMMARY

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- Massive scope of products and services, managed by the client service team for responsive, personalized service
  - Achieve a more appropriate link between cost of care and reimbursement
  - Your choice of in-house or outsourced HIM solutions
  - Strategic planning services and operational improvements
  - Counsel and support for capital market activities and integrated solutions for capital improvements
  - Comprehensive Home Health, Hospice, Long-Term Care, Physician, and Senior Living Services
  - Improve performance through Benchmarking and Dashboard Reporting
  - Ensure compliance with HIPAA and other regulations
  - Improve management of the revenue cycle
- 

#### SERVICES INVENTORY

Your service team offers much more than traditional accounting and tax functions. We customize all of these services to meet your unique requirements

You may not need all of these resources. However, given our experience and capabilities, there's virtually nothing you need that we can't provide. Everything we offer comes with the kind of responsive, personalized attention that reinforces the value we place on client relationships. This section highlights selected products and services that we believe will be of particular interest to you. We'd be pleased to discuss any of them in greater detail.



## INDEX OF HEALTHCARE SERVICES

### Audit and Tax Services

- Audit
- Tax
- Internal Audit Services

### Medicare/Medicaid Reimbursement Services

- Cost Reports
- DSH/ESRD Consulting

### Health Information Management

- Quality Documentation Program (QDPTM)
- Outsourced Coding Solutions
- APC Diagnostic Reviews
- Charge Description Master Reviews
- Managed Care Services

### Healthcare Concepts Group

- Facility Assessment
- Market Analysis
- Physician Resource Development
- Operational Initiatives

### Healthcare Capital Strategies Group

- Debt Capacity Studies
- Financial Feasibility Studies
- Agreed-Upon Procedures Reports
- Debt Placement Services
- Revenue Cycle Redesign

### Services for Related Entities

- Home Health/Hospice
- Long-Term Care Consulting
- Physicians and Physician Practices
- Senior Living

## DESCRIPTION OF SELECTED SERVICES

### AUDIT SERVICES

While most hospitals aren't subject to Sarbanes-Oxley, they're moving toward the Act's mandated corporate governance standards. Our audit professionals combine a thorough understanding of these standards and their ramifications with extensive experience in healthcare issues. They adhere strictly to independence standards, emphasizing a rigorous, objective



methodology that's especially valuable in light of today's corporate responsibility regulations.

### **TAX SERVICES**

A well-executed tax strategy is essential to strong financial performance. The Firm invests hundreds of hours every year in monitoring tax regulations, rulings and court cases—all to keep clients aware of tax-saving opportunities and consequences. We apply leading-edge techniques to accelerate depreciation and uncover available state and local tax credits, optimizing a tax strategy to accelerate cash flow and enhance the value of assets.

### **MEDICARE/MEDICAID REIMBURSEMENT SERVICES**

In our experience, most hospitals and healthcare systems leave money on the table. We work closely with our clients to identify reimbursement opportunities within the regulations, ensuring a more appropriate link between cost of care and reimbursement.

We focus on cost report preparation, reimbursement review services, audits and appeals. Each service team is available to provide quarterly on-site consultations, keeping clients up-to-date on industry changes trends. These meetings give us an opportunity to review payments, to make sure our clients take advantage of available opportunities while complying with program regulations.

### **COST REPORTS**

Quality, flexibility and efficiencies drive our approach to cost report compilations. Embracing change, employing technology and relying on effective and frequent communication, we serve our clients' needs throughout the year. Our experienced reimbursement service team works closely with client staff to prepare Medicare and Medicaid reports in a timely Manner. Our customized approach enables our team to work as partners with our clients.



## **HEALTH INFORMATION MANAGEMENT**

Our HIM services cover clearly defined areas of compliance services, such as audits of facility records (e.g., DRG and CPT-4/HCPCS coding reviews) and reviews of policies and procedures. We offer operations assessment and interim management services, annual compliance review, gap analysis for HIPAA preparation, and education and training for clinical and administrative staffs.

We can help improve HIM services whether the hospital chooses to keep these functions in-house or outsource them.

## **CHARGE DESCRIPTION MASTER REVIEWS**

We thoroughly assess the efficiency and effectiveness of the CDM structure to ensure appropriate reimbursement. This process includes evaluation of Code Assignments, Quality Assurance Mechanisms, and UB92 Billing Procedures.

## **REVENUE CYCLE MANAGEMENT**

Each service team offers a full range of services to help improve performance in the revenue cycle functions. These include revenue cycle process redesign, backlog reduction programs, selection and monitoring of outsourcing companies, and revenue cycle staff training. We can also help prepare for the electronic transmission of claims information.

## **ENGAUGE PERFORMANCE NAVIGATOR™**

The EnGauge™ Performance Navigator™ is an exclusive, hands-on, performance improvement service in which a seasoned advisor works closely with a hospital's leadership over time to assist in maximizing the facility's performance.

This service is not for every hospital. We meet with interested executives to determine a mutual fit based on factors such as market potential, leadership style and team "chemistry."

EnGauge™ Performance Navigator™ begins with an initial assessment and setup. In an on-site meeting, we work with you,



using proprietary planning tools, to assess your current situation and set short- and long-term goals. We then help implement a monitoring tool such as the companion EnGauge™ Performance Dashboard™.

After goals, strategies and a monitoring system have been established, we schedule regular follow-up meetings to provide advice and guidance to help you “navigate” toward your goals. In each of the first three months, we will hold conference calls with you, leading up to another on-site meeting after the first quarter of the program. After that, we will maintain a schedule of quarterly checkpoint meetings with you.

In addition, EnGauge™ clients have 24/7 access to a secure Web portal where you can access all your planning documents and collaborate with the Dixon Hughes EnGauge™ team. Other collaborative opportunities include user group meetings and the possibility of serving on the EnGauge™ advisory board.

### **HEALTHCARE CONCEPTS GROUP**

The Healthcare Concepts Group provides strategic consulting services in four key areas:

- Market analysis
- Facility planning
- Physician resource development
- Operational initiatives

These experienced consultants provide direction and assessment services that are grounded in detailed market profiles, demographic reports, market share reports, service area mapping and market research.

### **HEALTHCARE CAPITAL STRATEGIES GROUP**

For many healthcare providers, accessing the necessary funds to make improvements in facilities, medical equipment and technology is a significant challenge



Demonstrating the financial feasibility and benefits of a project, accessing cost-effective sources of capital and coordinating the involvement of accountants, architects, bankers, attorneys, regulatory bodies and other consultants can be a daunting task.

The Dixon Hughes Healthcare Capital Strategies Group has extensive experience in helping healthcare providers define, prepare for, and implement financially sound capital projects. Collectively, our consultants' work has supported healthcare capital projects in 20 states with total funding of more than \$3 billion.

Our seasoned accountants and advisors can assist in the areas of strategic capital planning, financial feasibility studies, performance and process improvement, and more.

#### **FINANCIAL FEASIBILITY STUDIES**

We perform financial feasibility studies and other similar services related to the expansion of services and the associated issuance of debt. The members of each service team have worked with most of the major bond underwriters and, as we noted earlier, we're approved to perform financial feasibility studies for HUD's insured debt program. We conduct our comprehensive financial feasibility studies in accordance with standards established by the American Institute of CPAs. These studies include an in-depth analysis of the future demand for existing and planned services, as well as an evaluation of the financial impact of future plans. We evaluate patient origin data, population characteristics and trends, major demographic or economic trends in the service area, market competition and medical staff practice plans.

#### **AGREED-UPON PROCEDURES REPORTS**

When assessing the risk of a project and issue, bond underwriters, governing authorities, rating agencies and bond insurers, often require forecasted financial statements. This statement must be accompanied by an agreed-upon procedures report identifying the procedures undertaken to evaluate the accuracy of the forecast.



We can perform this study, providing an objective evaluation of the significant assumptions that support the forecasted financial statements. We can also compare significant assumptions to historical trends for consistency and to future plans for reasonableness.

### **HOME HEALTH**

Managing the financial affairs of a home health organization poses unique challenges – the need for greater organizational efficiencies, compliance with ever-changing regulations and declining reimbursement rates, to name a few. Dixon Hughes understands. Our commitment to service and ongoing enhancement of our healthcare knowledge and skills has helped us become the largest provider headquartered in the region for accounting, tax, and consulting services for healthcare organizations. Our client base includes many home health providers, whether they are not-for-profit, taxable, freestanding or provider-based.

### **HOSPICE**

Hospice care is one of the fastest growing components of the healthcare delivery system. Managing the financial affairs of a hospice program poses unique challenges related to the need for increased operational efficiencies, complying with governmental regulations, increasing board responsibilities and Medicare cost reporting, to name a few. Dixon Hughes understands. Our deep, long-standing commitment to healthcare providers, including hospices, has helped us become the largest CPA firm headquartered in the region offering accounting, tax and consulting services. Whether your hospice program is freestanding, provider-based, not-for-profit or taxable, we can serve your financial needs.

### **LONG-TERM CARE**

Our clients have come to rely on our understanding of the dynamics and challenges in the long-term care industry. Our dedicated group provides a variety of consulting services to our long-term care clients, including:



- Audit and Tax Services
- Medicare/Medicaid Reimbursement Consulting
- Certificate of Need Applications
- Cost Reporting
- Healthcare Accounting Services

### **PHYSICIANS AND PHYSICIAN PRACTICES**

Managing the financial affairs of a physician practice poses unique challenges—declining reimbursement rates from managed care plans and Medicare, declining average physician incomes and the need for greater practice efficiencies, to name only a few. At one point, physicians could concentrate solely on medicine. Now they must focus on their business practices as well. We support this shift in emphasis with the following services:

- Financial Analysis and Benchmarks
- Tax Planning and Advisory Services
- Operational Analysis and Improvement
- Core Accounting Services
- Regulatory Compliance





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  
**BHS90017**

PAGE  
**1**

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

RFQ COPY

TYPE NAME/ADDRESS HERE

SHIP TO

VARIOUS AGENCY LOCALES  
 AS INDICATED BELOW

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
05/22/2008				

BID OPENING DATE: **06/26/2008** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	JB		961-20		
<p><b>OPEN-END BLANKET CONTRACT</b></p> <p><b>PROFESSIONAL ACCOUNTING &amp; FINANCIAL MGMT. SERVICES</b></p> <p>TO PROVIDE ACCOUNTING AND FINANCIAL MANAGEMENT SERVICES TO MILDRED MITCHELL-BATEMAN HOSPITAL, WILLIAM R. SHARPE, JR. HOSPITAL, AND WELCH COMMUNITY HOSPITAL WITHIN THE WEST VIRGINIA DEPARTMENT OF HEALTH AND HUMAN RESOURCES, BUREAU FOR BEHAVIORAL HEALTH AND HEALTH FACILITIES. SEE ATTACHED SPECIFICATIONS.</p> <p><b>EXHIBIT 3</b></p> <p>LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE ON AWARD AND EXTENDS FOR A PERIOD OF ONE (1) YEAR OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
TITLE	FBN	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

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VENDOR

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LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.</p> <p>RENEWAL: THIS CONTRACT MAY BE RENEWED UPON THE MUTUAL WRITTEN CONSENT OF THE SPENDING UNIT AND VENDOR, SUBMITTED TO THE DIRECTOR OF PURCHASING THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE. SUCH RENEWAL SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND SHALL BE LIMITED TO TWO (2) ONE (1) YEAR PERIODS.</p> <p>CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY THE STATE SPENDING UNIT. IT IS UNDERSTOOD AND AGREED THAT THE CONTRACT SHALL COVER THE QUANTITIES ACTUALLY ORDERED FOR DELIVERY DURING THE TERM OF THE CONTRACT, WHETHER MORE OR LESS THAN THE QUANTITIES SHOWN.</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE

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



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VARIOUS AGENCY LOCALES  
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<p><b>ORDERING PROCEDURE:</b> SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.</p> <p><b>BANKRUPTCY:</b> IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THIS CONTRACT IS AUTOMATICALLY NULL AND VOID, AND IS TERMINATED WITHOUT FURTHER ORDER.</p> <p><b>INQUIRIES:</b> WRITTEN QUESTIONS SHALL BE ACCEPTED THROUGH CLOSE OF BUSINESS ON JUNE 9, 2008. QUESTIONS MAY BE SENT VIA USPS, FAX, COURIER OR E-MAIL. IN ORDER TO ASSURE NO VENDOR RECEIVES AN UNFAIR ADVANTAGE, NO SUBSTANTIVE QUESTIONS WILL BE ANSWERED ORALLY. IF POSSIBLE, E-MAIL QUESTIONS ARE PREFERRED. ADDRESS INQUIRIES TO:</p> <p><b>ROBERTA WAGNER        DEPARTMENT OF ADMINISTRATION        PURCHASING DIVISION        2019 WASHINGTON STREET, EAST        CHARLESTON, WV 25311</b></p> <p><b>FAX: 304-558-4115        E-MAIL: ROBERTA.A.WAGNER@WV.GOV</b></p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

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



State of West Virginia  
 Department of Administration  
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ROBERTA WAGNER

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BID OPENING DATE: **06/26/2008** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p><b>EXHIBIT 4</b></p> <p><b>LOCAL GOVERNMENT BODIES: UNLESS THE VENDOR INDICATES IN THE BID HIS REFUSAL TO EXTEND THE PRICES, TERMS, AND CONDITIONS OF THE BID TO COUNTY, SCHOOL, MUNICIPAL AND OTHER LOCAL GOVERNMENT BODIES, THE BID SHALL EXTEND TO POLITICAL SUBDIVISIONS OF THE STATE OF WEST VIRGINIA. IF THE VENDOR DOES NOT WISH TO EXTEND THE PRICES, TERMS, AND CONDITIONS OF THE BID TO ALL POLITICAL SUBDIVISIONS OF THE STATE, THE VENDOR MUST CLEARLY INDICATE SUCH REFUSAL IN HIS BID. SUCH REFUSAL SHALL NOT PREJUDICE THE AWARD OF THIS CONTRACT IN ANY MANNER.</b></p> <p><b>REV. 3/88</b></p> <p><b>PURCHASING CARD ACCEPTANCE: THE STATE OF WEST VIRGINIA CURRENTLY UTILIZES A VISA PURCHASING CARD PROGRAM WHICH IS ISSUED THROUGH A BANK. THE SUCCESSFUL VENDOR MUST ACCEPT THE STATE OF WEST VIRGINIA VISA PURCHASING CARD FOR PAYMENT OF ALL ORDERS PLACED BY ANY STATE AGENCY AS A CONDITION OF AWARD.</b></p> <p><b>VENDOR PREFERENCE CERTIFICATE</b></p> <p><b>CERTIFICATION AND APPLICATION* IS HEREBY MADE FOR PREFERENCE IN ACCORDANCE WITH WEST VIRGINIA CODE, 5A-3-37 (DOES NOT APPLY TO CONSTRUCTION CONTRACTS).</b></p> <p><b>A. APPLICATION IS MADE FOR 2.5% PREFERENCE FOR THE REASON CHECKED:</b></p> <p><b>( ) 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</b></p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE	TELEPHONE	DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE

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



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  
**BHS90017**

PAGE  
**5**

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

RFQ COPY

TYPE NAME/ADDRESS HERE

SHIP TO

VARIOUS AGENCY LOCALES  
 AS INDICATED BELOW

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
05/22/2008				

BID OPENING DATE: **06/26/2008** BID OPENING TIME **01:30PM**

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

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TITLE	FAX	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  
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# Request for Quotation

RFQ NUMBER  
**BHS90017**

PAGE  
**6**

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

VENDOR

RFQ COPY  
 TYPE NAME/ADDRESS HERE

SHIP TO

VARIOUS AGENCY LOCALES  
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DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
05/22/2008				

BID OPENING DATE: **06/26/2008** BID OPENING TIME **01:30PM**

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

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State of West Virginia  
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 2019 Washington Street East  
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# Request for Quotation

RFO NUMBER  
**BHS90017**

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**7**

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

VENDOR

RFQ COPY  
 TYPE NAME/ADDRESS HERE

SHIP TO

VARIOUS AGENCY LOCALES  
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DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
05/22/2008				

BID OPENING DATE: **06/26/2008** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>BIDDER: <u>Dixon Hughes PLLC</u></p> <p>DATE: <u>6/23/2008</u></p> <p>SIGNED: <u>[Signature]</u></p> <p>TITLE: <u>Managing Member</u></p> <p>* CHECK ANY COMBINATION OF PREFERENCE CONSIDERATION(S) IN EITHER "A" OR "B", OR BOTH "A" AND "B" WHICH YOU ARE ENTITLED TO RECEIVE. YOU MAY REQUEST UP TO THE MAXIMUM 5% PREFERENCE FOR BOTH "A" AND "B". (REV. 12/00)</p> <p>NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p> <p>DEPARTMENT OF ADMINISTRATION          PURCHASING DIVISION          BUILDING 15          2019 WASHINGTON STREET, EAST          CHARLESTON, WV 25305-0130</p> <p>PLEASE NOTE: A CONVENIENCE COPY WOULD BE APPRECIATED.</p> <p>THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:</p> <p>SEALED BID</p> <p>BUYER: -----RW/FILE 22-----</p>						

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State of West Virginia  
 Department of Administration  
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# Request for Quotation

RFQ NUMBER  
**BHS90017**

PAGE  
**8**

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

VENDOR

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BID OPENING DATE: **06/26/2008** BID OPENING TIME **01:30PM**

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
RFQ. NO.: ----- BHS90017 -----						
BID OPENING DATE: ----- 06/26/2008 -----						
BID OPENING TIME: ----- 1:30 PM -----						
PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID: ----- 304.343.1895 -----						
CONTACT PERSON (PLEASE PRINT CLEARLY): Richard L. Slater 304.343.0168						
***** THIS IS THE END OF RFQ BHS90017 ***** TOTAL: _____						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE		TELEPHONE		DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE		

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



## 2.2 Services to be provided: Mandatory

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

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

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

- B Assist hospital business office and accounting personnel to develop the data necessary for the vendor to complete Federal and State regulatory reports.
- C Provide technical support in the billing and collection process as requested by the Chief Financial Officer; recommend improvements as applicable.
- D Provide a financial records review to the Chief Financial Officer as requested, which will be at least on a quarterly basis.
- E Provide reimbursement regulation research and respond to the Chief Financial Officer as requested.
- F Prepare all Medicare (HCFA 2552) Cost Reports, Provider Cost Report Reimbursement Questionnaires (HCFA 339) and supporting documentation, which are due during the contract period. These reports are to be submitted prior to the deadline established by HCFA
- G Prepare all Health Care Authority (HCA) Reports which are due during the contract period. All reports are to be submitted prior to the deadline established by HCA
- H Vendor shall review and update fee schedules throughout the contract period as requested by the Chief Financial Officer, which will be at least quarterly.
- I Prepare all disproportionate share calculations as requested by the CFO, which shall be at least once a year.
- J Recommend improvements in cost reimbursement to gain consistency among the facilities; review revenue opportunities – more focus on revenue cycle process and review

## 3.0 SPECIAL TERMS AND CONDITIONS

### 3.1 Insurance Requirements

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

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

### **3.2 License Requirements**

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

### **3.3 Liquidated Damages for Failure to Meet Performance**

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

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

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

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

## **4.0 GENERAL TERMS AND CONDITIONS**

### **4.1 Conflict of Interest**

Vendor affirms that it, its officers or members or employees presently have no interest and shall not acquire any interest, direct or indirect which would conflict or compromise in any manner or degree with the performance or its services hereunder. The Vendor further covenants that in the performance of the contract, the Vendor shall periodically inquire of

its officers, members and employees concerning such interests. Any such interests discovered shall be promptly presented in detail to the Agency.

#### **4.2 Prohibition Against Gratuities**

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

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

#### **4.3 Certifications Related to Lobbying**

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

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

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

#### **4.4 Vendor Relationship**

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

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

Vendor shall be exclusively responsible for the payment to his/her employees and contractors of all wages and salaries, taxes, withholding payments, penalties, fees, fringe

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

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

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

#### **4.5 Indemnification**

The Vendor agrees to indemnify, defend and hold harmless the State and the Agency, their officers, and employees from and against: (1) Any claims or losses for services rendered by any sub contractor, person or firm performing or supplying services, materials or supplies in connection with the performance of the contract; (2) Any claims or losses resulting to any person or entity injured or damaged by the Vendor, its officers, employees, or subcontractors by the publication, translation, reproduction, delivery, performance, use or disposition of any data used under the contract in a manner not authorized by the contract, or by Federal or State statutes or regulations; (3) Any failure of the Vendor, its officers, employees or subcontractors to observe State and Federal laws, including but not limited to labor and wage laws.

#### **4.6 Governing Law**

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

#### **4.7 Compliance with Laws and Regulations**

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

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

#### **4.8 Subcontracts/Joint Ventures**

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

**4.9 Non-Appropriation of Funds**

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

**4.10 Changes**

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

As soon as possible after receipt of a written change request from the Agency, but in no event more than thirty (30) days thereafter, the Vendor shall determine if there is an impact on price with the change requested and provide the Agency a written statement to identify any price impact on the contract or to state that there is no impact. In the event that price will be impacted by the change, the Vendor shall provide a description of the price increase or decrease involved in implementing the requested change

**4.11 Invoices and Progress Payments**

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

**4.12 Record Retention (Access and Confidentiality)**

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

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

**4.13 HIPAA Agreement**

The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of this

agreement. Provided that, the Agency meets the definition of a Covered Entity (45 CRP § 160 103) and will be disclosing Protected Health Information (45 CFR § 160 103) to the vendor.

**4.14 Debarment and Suspension:**

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

**4.15 Drug Free Workplace Act of 1988:**

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

**4.16 Other Government Bodies**

Unless otherwise stated in the response, the vendor agrees to extend the same prices, terms and conditions to other WV DHHR entities. Each entity will be required to verify the experience level of the firm's staff offering and services to be offered with each engagement. If the vendor does not wish to extend the prices, terms and conditions to other WV DHHR entities, the vendor must clearly indicate such refusal in his bid response. Such refusal shall not prejudice the award of this contract in any way.

### BID SCHEDULE SHEET

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

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

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

#### **Basis of Award:**

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

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

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

All travel and administrative fees/costs are to be included in your hourly rate as no separate reimbursement of expenses will occur

All inclusive hourly rate: \$48.00 x 3,350 estimated number of hours for all facilities requiring services listed herein

Grand Total (based on estimated hours for evaluation purposes) \$ 495,800.00

#### **EXPERIENCE OF VENDOR**

Vendor must provide documentation to demonstrate the following mandatory requirements are met:

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

Vendor: Dixon Hughes PLLC Date: 6/23/2008  
 Signatory: [Signature] Printed Name: Richard L. Slater  
Managing Member

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

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

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

[Signature]  
Signature

6/23/08  
Date

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

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

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

Name DIXON HUGHES PLLC N/A  
last name first name middle initial

Maiden/Other Names SIMPSON + OSBORN A. C.  
(This should include other married names by which you have been known.)

Current Address 707 VIRGINIA ST. EAST CHARLESTON WV  
street/box# city state

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

Social Security # FEIN: 56.0747981 Date of Birth N/A  
month/day/year

Driver's License Number N/A State of Issue N/A

[Signature] 6/23/08  
Signature Date

**EMPLOYING UNIT INFORMATION**

Office/Region/Region Branch \_\_\_\_\_ Contact Person \_\_\_\_\_  
 Fax Number \_\_\_\_\_ Phone Number \_\_\_\_\_

**FOR OPS USE ONLY**

IF5 Match Outcome  Positive  Negative  
 CS Match Outcome  Positive  Negative  Neutral \_\_\_\_\_ Date \_\_\_\_\_

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

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

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

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

Vendor's Name: Dixon Hughes PLLC

Authorized Signature: [Signature] Date: 6/23/2008