



Date: APR 4 2016

The Honorable Phil Mendelson  
Chairman, Council of the District of Columbia  
John A. Wilson Building  
1350 Pennsylvania Avenue, N.W.  
Suite 504  
Washington, DC 20004

Dear Chairman Mendelson:

Pursuant to D.C. Official Code § 1-204.51(b), enclosed for consideration by the Council of the District of Columbia is proposed Contract No. NFPHC-292 between Not-for-Profit Hospital Corporation and Veritas of Washington LLC for the provision of Hospital Management and Operator services. This contract has a requested funding amount of \$2,500,000.00.

As always, I am available to discuss any questions you may have regarding this proposed Contract. In order to facilitate a response to any questions you may have, please have your staff contact me, or General Counsel, Kai Blissett, at (202) 574-6611. I look forward to a favorable consideration on this contract.

Sincerely,

A handwritten signature in blue ink that reads "Andrew L. Davis (PL)".

Andrew L. Davis  
Interim Chief Executive Officer  
Not-for-Profit Hospital Corporation

Enclosure

## COUNCIL CONTRACT SUMMARY

Pursuant to D.C. Official Code § 2-352.02 (c), the following contract summary is provided:

**(A) The proposed contractor, contract amount, unit and method of compensation, contract term, and type of contract:**

<b>Proposed Contractor:</b>	Veritas of Washington LLC
<b>Contract Amount:</b>	\$2,500,000.00
<b>Term of Contract:</b>	6 Months; provides up to 3 option years requiring modifications for execution
<b>Contract Number:</b>	NFPHC-292
<b>Type of Contract:</b>	Fixed Price and Labor Hours, with cost reimbursement

**(B) The goods or services to be provided, the methods of delivering goods or services, and any significant program changes reflected in the proposed contract:**

Veritas of Washington LLC (Veritas) shall provide Hospital Management and Operator services (Services) to the Not-for-Profit Hospital Corporation (NFPHC or Hospital), acting as an operator to NFPHC and implementing turnaround operations for NFPHC.

**(C) The selection process, including the number of offerors, the evaluation criteria, and the evaluation results, including the price and technical components:**

The District of Columbia Department of Healthcare Finance (DHCF) has agreed to assist NFPHC in finding and subsidizing a qualified operator for NFPHC. This is an emergency situation for NFPHC. It is DHCF's view that there are a limited number of firms that can provide moderately-priced hospital stabilization/turnaround services, without the need to sub-contract large portions of the services. Further, it is DHCF's view that the operator should have a District presence as well as knowledge of the applicable District rules, regulations, and governance structure. Considering these factors, including the need to have a local presence familiar with the governance structure of the District, DHCF has identified a CBE firm – Veritas – to act as an operator. Having determined that an operator is an essential requirement of NFPHC at this critical juncture and that Veritas is the only reasonably-priced source having the necessary experience and knowledge that is readily available to satisfy this essential requirement of the NFPHC, NFPHC is awarding the contract to Veritas through noncompetitive negotiations utilizing its sole source authority pursuant to 27 DCMR § 4618.1(b).

**(D) The background and qualifications of the proposed contractor, including its organization, financial stability, personnel, and prior performance on contracts with the District government:**

Veritas of Washington, LLC ("Veritas"), is District of Columbia-based healthcare management, advisory, and consulting firm. The firm is comprised of principals that have been leading providers of healthcare management, consulting and strategic advisory services to hospitals, health systems,

skilled nursing facilities and other healthcare entities. The firm's leadership team has long-standing experience with District of Columbia health systems and with the District government.

Veritas is focused exclusively on health care, with a special emphasis on hospitals and health systems in competitive urban markets. Many of the firm's principals each have in excess of 20 years' experience in areas including health care operations, executive and financial management, public and private financings, medical staff relations, human resources and strategic planning.

The firm's team of management professionals reflects a broad range of ethnic and cultural backgrounds and are able to understand the unique needs of organizations in multi-cultural environments. Because of this, the firm understands the community and the importance of the local health care delivery system; these have been critical factors in the successes of the firms' principals in these environments.

The Veritas team is familiar with the District of Columbia and understands the issues related to the socioeconomic, racial and ethnic diversity in the District and their impact on the healthcare system.

A few of the highlights of the firm's personnel experience and qualifications include the following:

- worked together for over 15 years, with experience managing over 40 hospitals over the last 25 years, ranging in size from 25 to 800 beds.
- Authored an article in a leading peer-reviewed health care journal about financially distressed hospitals.
- experienced in dealing with CMS violations and compliance issues.
- Expertise in PhD in healthcare financial management, including detailed analysis of the revenue cycle and internal controls.
- Expertise in health care organizations, including evaluating, designing, improving, and measuring operational and clinical processes and systems in hospitals.

As a minority-owned local company, the firm's owner and leading principals live and work in the District and understand the District's unique needs and healthcare environment.

**(E) Performance standards and the expected outcome of the proposed contract:**

The Contractor's performance is monitored by the Hospital's Board of Directors. The expected outcome of this contract is the successful implementation of enhanced operational, clinical, administrative, and governance staffing and processes for the Hospital creating and maximizing long-term sustainability.

**(F) A certification that the proposed contract is within the appropriated budget authority for the agency for the fiscal year and is consistent with the financial plan and budget adopted in accordance with D.C. Official Code §§ 47-392.01 and 47-392.02:**

The Chief Financial Officer for the Department of Health Care Finance has reviewed the proposed contract and has provided certification of funds. See attached.

**(G) A certification that the proposed contract is legally sufficient, including whether the proposed contractor has any currently pending legal claims against the District:**

The Office of the General Counsel for the Hospital has reviewed the proposed contract and found it to be legally sufficient. See attached.

- (H) A certification that the proposed contractor is current with its District and federal taxes or has worked out and is current with a payment schedule approved by the District or federal government:**

The attached certifications obtained from the D.C. Office of Tax and Revenue and the Department of Employment Services indicate the Contractor's compliance with District Tax Laws.

- (I) The status of the proposed contractor as a certified local, small, or disadvantaged business enterprise as defined in the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, effective October 20, 2005 (D.C. Law 16-33; D.C. Official Code § 2-218.01 *et seq.*):**

The Contractor is a certified local, small or disadvantaged business enterprise.

- (J) Other aspects of the proposed contract that the Chief Procurement Officer considers significant:**

None.

- (K) A statement indicating whether the proposed contractor is currently debarred from providing services or goods to the District or federal government, the dates of the debarment, and the reasons for debarment:**

As of April 1, 2016, the Contractor's name does not appear on the Federal or District Excluded Parties Lists.

- (L) Where the contract, if executed, will be made available online:**

The Hospital's website is currently being upgraded and the hospital intends to post the executed contract as soon as possible. Until then, the contract remains available onsite.

**NOT-FOR-PROFIT HOSPITAL CORPORATION,**  
commonly known as United Medical Center,  
an instrumentality of the District of Columbia government,  
hereinafter known as the "Hospital".

**CONTRACT**

1. Contract Number:  
  
4. Requisition/Purchase Order/Task Order.

2. Address  
  
NFPHC Accounts Payable  
1310 Southern Avenue, S.E.  
Washington, D.C. 20032  
AccountsPayable@united-medicalcenter.com

3a. Effective Date: See 11C. Date of Council Approval  
  
3b. Date work begins if different from Effective Date: April 15-18, 2016  
  
3c. Date of Council Approval:

5. Contractor:  
Veritas of Washington LLC  
3520 Massachusetts Ave. NW  
Washington, DC 20007  
ATTN: Chrystie Boucree  
EMAIL: cboucree@veritashc.com  
PHONE: 202-888-7149 or 410-917-2668

6. Subject: [Brief Description]  
  
This Contract is for the provision of hospital operator services.

7. Base Year/Period Funding Request: \$2,500,000.00

8. Number of Option Years: 3

9.	Section	Description
Yes	I	"Contract Specifics" Part A. Price Schedule Part B. Scope of Work Part C. Period of Performance Part D. Administration
Yes	II	"Contract Terms and Conditions" Part E. General Provisions Part F. Special Contract Requirements
Yes	III	"Contractor's Technical Proposal"

10. CONTRACTOR  
By: Authorized Contractor Representative

11. NOT-FOR-PROFIT HOSPITAL CORPORATION  
By: Authorized Contracting Officer

10A. Name and Title: (Type or print)  
Chrystie Boucree, CEO

11A. Name of Contracting Officer:

10B. Signature  
*Chrystie Boucree*

10C. Date Signed  
4/1/2016

11B. Signature

11C. Date Signed

**12. GENERAL COUNSEL – LEGAL SUFFICIENCY.** This Contract appears legally sufficient. Please be advised that my finding is premised on the Contract receiving any and all requisite approvals. In addition, the Hospital continues to work with other District agencies to determine the most effective manner to address our unique status as the Hospital strives to meet: (i) its Establishment Act purposes (D.C Official Code §44-951.02(b)); (ii) the Hospital Board of Directors approved Strategic Plan (all thirteen Councilmembers introduced the Sense of the Council Not-for-Profit Hospital Corporation Transformation and Sustainability Resolution of 2014 (PR20-731)), which expressed the desire that the Hospital move swiftly to implement the strategic plan; and (iii) its newly clarified District government charged legislative mandate in the Fiscal Year 2015 Budget Support Emergency Act of 2014 (B20-849), which required the Hospital move forward expeditiously with improving UMC operations and soliciting proposals for private sector takeover of the ownership and management of the United Medical Center.

Approved as to Legal Sufficiency  
*[Signature]*  
K. Blissett, NFPHC General Counsel

Date: 4/1/16

13. CFO – CERTIFICATION OF FUNDS  
Certification: SEE SEPARATE OCFO CERTIFICATION

in the District's  
port this Contract.

# SECTION I

## Contract Specifics

Part A.	PRICE SCHEDULE
Part B.	SCOPE OF WORK
Part C.	PERIOD OF PERFORMANCE
Part D.	ADMINISTRATION

**PART A: PRICE SCHEDULE**

This shall be a **mixed fixed fee and labor hours, with cost reimbursement, contract**. Contractor, including all Contractor staff, employees and subcontractors (all of which shall be referred to hereafter as “Contractor”), shall be paid for hours actually worked.

**A.1 BASE PERIOD (Effective Date through September 30, 2016)**

<b>PART 1. Hospital Operators – Fixed Fee Component</b>			
<b>Contract Line Item (CLIN)</b>	<b>Item Description* (or as otherwise agreed to by the parties)</b>	<b>Monthly Fixed Fee</b>	<b>Base Period Fixed Fee/Component</b>
0001	Hospital Operator Services (as defined in the Contract)	\$300,000.00	<b>\$1,800,000.00</b>
<b>PART 2 – Special Projects – (not included in Fixed Fee; detailed invoices required)</b>			
	<b>Item</b>	<b>Labor hours/ Project Cost</b>	<b>NTE Annual/Base Period Cost</b>
0002	Revenue Cycle Improvement Plan	TBD	TBD
0003	Other Operational Improvement Plans outside of the Fixed Fee Component	TBD	TBD
<b>Part 3 – Cost Reimbursement (with receipts)</b>			
0004	Cost reimbursement for Parts 1 and 2		See Section A.4
	Parts 2 and 3 Sub-total		<b>\$700,000.00*</b>

**Total Base Period (Parts 1-3) NTE Amount Allowable  
(As Defined Herein): \$2,500,000.00**

*\*NOTE: Contractor is not guaranteed the NTE payment. Payments shall be made for work actually performed*

**A.2 Option Years/Periods.**

A.2.1 Option Period One. Unless otherwise agreed to by the parties in writing, the NTE amount for the Fixed Fee (Parts 1 and 2) component of the Contract (as defined herein): \$3,500,000.00. The parties acknowledge that the cost of option year one may exceed this amount, and agree to

negotiate any such increase, in consultation with DHCF, as a written amendment to this Contract in accordance with District laws.

A.2.2 Should the Hospital choose to exercise a second option period and beyond, pursuant to Part E.23, the parties will renegotiate pricing and mutually agree via a written contract modification.

A.3 Operational Improvement Plan Cost (as defined herein)

A.3.1 The total value of all Operational Improvement Plans, taken together, including cost reimbursements, shall not exceed the respective monthly or annual not-to-exceed amounts under this Contract.

A.3.2 Contractor shall consult with Board on all Operational Improvement Plans.

A.3.3 Should the cost of an Operational Improvement Plan exceed the Fixed Fee portion of the Contract (Part 1), such Plan shall be accompanied by a proposed Cost Table to be completed as follows, and have detailed invoices reflecting work performed. Information for the cost table and such details shall only be required for Contractor staff beyond the Contactor Management Team.

Individual & Position	Hourly Rate	Total Hours for Operational Improvement Plan	Cost for Operational Improvement Plan per Individual
TOTAL COST FOR OPERATIONAL IMPROVEMENT PLAN			

A.4 Cost Reimbursement – Applies to entire Contract

CLIN	Description	Rate
0004	Local transportation costs (taxi, etc.)	Cost with copies of receipts
	Direct travel/interim living expenses (airfare, lodging, car rental and meals)	Cost with copies of receipts <u>Reasonable rates*</u>

A.4.1 Refer to Section E25 of this Contract. Hospital policies shall apply.

A.4.2 \*Hospital may use 27 DCMR Section 33 as guidance to determine the appropriate cost reimbursement amounts.

A.4.3 All cost reimbursements shall be included in the annual/period total not-to-exceed value of this Contract. No prior approval is required for reasonable expenses Subject to applicable District laws, approval for such reimbursements shall not be unreasonably withheld.



A.4.4 Any other costs for which reimbursement is sought shall be processed according to standard hospital and government policies, and no prior approval is required for reasonable expenses. Subject to applicable District law, approval for such reimbursements shall not be unreasonably withheld.

A.5 Invoices

A.5.1 Refer to Section E.24 of this Contract. Hospital policies shall apply.

A.5.2 As a condition of payment, Contractor agrees to provide detailed invoices to Hospital including an itemized breakdown of services that contains the following details: i) name of person performing service; ii) description of service performed; (iii) total amount being charged for service; and (iv) the total amount for all services performed during the billing month. Such details shall not be required for Contractor Management Team.

A.5.3 Contractor agrees to provide detailed invoices, containing hourly rates, for the specified section of the Contract (not including Part 1 – Management Team). Such details shall not be required for Contractor Management Team.

A.6 Consequences of partial, unsatisfactory, or non-performance

A.6.1 The Contractor shall be held to the full performance of the Contract.

A.6.2 In the case of partial, unsatisfactory, or non-performance, including failure to provide deliverables, the Board and/or District may:

- i. deduct from the Contractor's invoice, or otherwise withhold payment; or
- ii. at its option, afford the Contractor an opportunity to perform the non-performed work with a reasonable period subject to the discretion of the Board and/or District, and at no additional cost under the Contract.

## **PART B: SCOPE OF WORK**

B.1 **Contractor Responsibilities** -The Contractor, including all Contractor staff, employees and subcontractors (all of which shall be referred to hereafter as "Contractor") shall, working at the Hospital ("onsite"), as an independent contractor reporting to the Hospital's Board of Directors ("Board"), or such person or committee of the Board that the Board of Directors designates (any of which shall be referred to hereafter as "Board"), provide Hospital Management and Operator services ("Services") to the Hospital as outlined below.

B.1.1 Contractor shall be onsite beginning on or around April 15-18, 2016.

B.1.2 Contractor, in consultation with the Board, shall be responsible for the day-to-day operations of the hospital, subject to all applicable laws and hospital policies.

B.1.3 Contractor's Management Team shall include, but not be limited to (i) Project Manager; (ii) Administrator; (3) Finance Analyst; and (4) other staff as needed for the Services. Onsite Contractor staff assigned to these positions shall be introduced to the Board, and resumes provided to the Board. Any Contractor staff serving as Hospital CEO must be approved by the Board in accordance with the District law. See Section B.7.

### B.2 **Operational Improvement Plans**

B.2.1 In accordance with Section B.4, and the Deliverables Schedule in Section B.10, Contractor shall provide the Board with a detailed improvement plan for each topic of concern ("Operational Improvement Plan") set forth in Section B.2.3.

B.2.2 In performing its duties, and to avoid duplicative efforts, Contractor shall have the benefit of and be encouraged to review and utilize for institutional knowledge and background purposes existing reports and assessments of Hospital including, but not limited, to those written by McGladrey, Huron, and MedAssets.

B.2.3 Subject to Sections B.2.1 and B.2.2, the Operational Improvement Plans shall address the following topics, as well as any other topic identified by Contractor and Board. If Contractor determines that Hospital's ongoing efforts and direction for these topics are satisfactory for the purpose of this Contract, Contractor may review and monitor such implementation, if ongoing, or implement, in lieu of producing a new Operational Improvement Plan.

*Revenue Cycle - Requirements of the Revenue Cycle Improvement Plan are discussed more fully in Section B.3.*

#### **GROUP A**

- i. Executive Leadership – senior leadership team
- ii. Finance - Organization and staffing subject to Section B.3.
- iii. Case Management and Clinical Documentation
- iv. Managed Care Contracts

#### **GROUP B**

- v. Clinical Services
- vi. Physician Recruitment, Business Development
- vii. Skilled Nursing Facility – staffing; viability; finances; skilled nursing v nursing home
- viii. Patient Safety and Quality

- ix. Patient Satisfaction and HCAHP Program

**GROUP C**

- x. Compliance
- xi. Risk Management
- xii. Health Information Management
- xiii. Contracting & Procurement – systems, cost savings; Hospital rules apply
- xiv. Supply Chain & Materials Management

**GROUP D**

- xv. Infrastructure Systems, including Facility (physical plant) and leased space on/in property (hospital building, hospital campus, medical office building, roof)
- xvi. Inventory of Fixed Assets
- xvii. Information Technology
- xviii. Public Relations and Marketing
- xix. Alternative Sources of Funding & Grant Opportunities

**GROUP E**

- xx. Labor /Human Resources – FTE; number of employees; salary review, including for senior leadership and physicians
- xxi. Medical Staff Affairs
- xxii. Volunteer Program
- xxiii. Academic Affiliations & GME Programs
- xxiv. Pastoral Care Program

**B.3 Finance Department and Revenue Cycle Improvement Plan.**

- B.3.1 The importance of the Revenue Cycle Improvement Plan to the Hospital is such that it has been distinguished from the other Operational Improvement Plans and provided its own section. This plan shall include a review of contractals, charge master, denials, billings, collections, coding, length of stay, emergency department throughput, provider based billing, and utilization review.
- B.3.2 Unless otherwise mutually agreed upon in writing, Contractor shall have a Revenue Cycle Team onsite on a date mutually agreed to by the parties. The Revenue Cycle Team shall create a comprehensive detailed assessment and plan specific to the Hospital to make the Hospital's revenue cycle more efficient and maximize the revenue cycle returns for the Hospital ("Revenue Cycle Improvement Plan"). The Revenue Cycle Team shall prepare the Revenue Cycle Improvement Plan for Board consultation, on a date mutually agreed to by the parties. Time is of the essence for the Revenue Cycle Improvement Team and Plan.
- B.3.2 Contractor shall work with Hospital and Office of the Chief Financial Officer ("OCFO") to develop an organization and reporting structure under the Finance Department and Revenue Cycle Improvement Plan which enables both to operate effectively and efficiently within the limits of applicable laws. If necessary, the OCFO, Hospital, and Contractor shall work collaboratively and cooperatively as they endeavor to enter into a separate agreement to fully implement the Finance Department recommendations, Revenue Cycle Improvement Plan and any other Improvement Plan.

- B.3.3 The Board and OCFO shall be consulted regarding the use of any subcontractors used for the Finance Department and Revenue Cycle Improvement Plan
- B.4 Content of Operational Improvement Plans. Subject to Section B.2.2, each Operational Improvement Plan discussion, shall include, where applicable, a(n):
- B.4.1 detailed description of the issue, including priority, and industry benchmarking; or reference to existing report detailing the issue;
  - B.4.2 recommendation for improvement/resolution, including any other Operational Improvement topics that may be affected, or are required for optimal improvement/resolution, regardless of the group categorization;
  - B.4.3 an assessment of the existing Hospital workforce, and their ability to fully implement the Plan, understanding that where possible, education and training of the workforce is preferred;
  - B.4.4 timeline for implementation, recognizing that time is of the essence;
  - B.4.5 determination whether the Operational Improvement Plan will be performed by Contractor or subcontractor, and if the latter, the name and background of subcontracted company;
  - B.4.6 proposed budget for the Operational Improvement Plan, identifying hourly rates, where applicable, assigned individuals and positions, and period of engagement, as required by Section A.3;
  - B.4.7 recommended tool for Board review and assessment of Contractor progress, to include industry best practice performance metrics;
  - B.4.8 new drafts, or modifications to existing policies, required to implement Operational Improvement Plan;
  - B.4.9 education and training schedule, as well as an Operational Improvement Plan assessment tool that may be used by Hospital to ensure Hospital staff are able to continue operational changes post engagement; and
  - B.4.10 schedule containing the type and frequency of reports, including those in writing, to the Board, to provide sufficient communication of progress and concerns.
- B.5 Board Communications. The Contractor shall maintain communication with the Board through
- B.5.1 regular meetings with the Board, to be determined by the parties
  - B.5.2 written or oral reports to the Board that comply and conform to each Board approved Operational Improvement Plan
  - B.5.3 attendance at regular monthly Board meetings.
  - B.5.4 any other means of communication and at any other times as reasonably requested by Board.
- B.6 Government/Industry Communications.
- B.6.1 Contractor may be required to communicate and/or assist with communications, with government and industry stakeholders, including, but not limited to the Mayor's Office, Office of the Deputy Mayor for Health and Human Services, Department of Health Care Finance ("DHCF"), Department of Health, OCFO, Council of the District of Columbia, DC Hospital

Association, and other regional hospitals. The Board shall be consulted and/or timely notified regarding such communications, wherever practical.

- B.6.2 Contractor shall meet with the appropriate government entities on a regular basis to discuss progress, challenges, and any other matter related to this Contract.
  - B.6.3 Nothing herein shall be interpreted to prohibit Contractor from reporting or cooperating with any government investigation/inquiry.
- B.7 Key Hospital Personnel. To extent permitted under applicable laws, rules and policies, Contractor shall recommend/participate in personnel decisions of Hospital personnel.
- B.7.1 Under District law, particularly, D.C. Code §44-951.08(j), Contractor does not have the authority to hire and fire District employees, but may “manage, supervise, evaluate, and propose disciplinary action...in compliance with all Hospital human resources policies, personnel contracts, and collective bargaining agreements.” Generally, all Hospital employee personnel changes shall occur in accordance with applicable District laws and hospital policies.
  - B.7.2 CEO. Under District law, particularly, D.C. Code §§44-951.05(f)-(g), the Board shall appoint a CEO. The CEO shall report to the Contractor. If Contractor recommends a change in this position, Contractor shall discuss with the Board, and only with Board approval, in compliance with applicable laws, rules, and policies, shall a change be made.
  - B.7.3 Senior Leadership/Executive Team. If Contractor recommends a change in senior leadership existing as of the Effective Date, Contractor shall discuss with the Board. All such changes shall comply with Section 7.1.
  - B.7.4 This section shall not apply to those staff employed by the Office of the Chief Financial Officer (OCFO). See Section B.3.3.
- B.8. Implementation of Operational Improvement Plans.
- B.8.1 Contractor shall consult with the Board on Operational Improvement Plans.
  - B.8.2 In order to avoid a violation of the Anti-Deficiency Acts, the implementation cost of all Operational Improvement Plans, in totality, shall not exceed to the total not-to-exceed value of this Contract.
  - B.8.3 Hospital shall not be responsible for payment of invoices related to any Operational Improvement Plan implemented without communications required under this Contract.
  - B.8.4 In presenting an Operational Improvement Plan to the Board, Contractor assures the Board that such Plan represents the optimal resolution/improvement, and if necessary, highlights any constraints of Hospital and/or staff for implementation.
  - B.8.5 Contractor agrees and understands that each Operational Improvement Plan is to be created with the objective of being integrated with all other Operational Improvement Plans.

B.9 Contractor's Services pursuant to this agreement shall not constitute an audit, review or compilation, or any other type of financial statement reporting engagement that is subject to the rules of the AICPA or other such national professional bodies

B.10 Contractor Deliverables – The Contractor shall deliver the following in accordance with the below schedule, or as otherwise agreed to by both parties, including dates within individual Operational Improvement Plans. Changes to the Deliverables must be approved by the Board. To the extent any of these items are already in place, Contractor is not required to recreate it, but shall review, assess, and monitor implementation.

<b>Deliverable</b>	<b>Format/Method of Delivery*</b>	<b>Due Date</b>
Project Management Team	In person team onsite	Beginning on or around April 15, 2016
Revenue Cycle Team	Team onsite	TBD with Contractor
Finance and Revenue Cycle Operational Improvement Plan	Written; Board and OCFO discussion and approval required	TBD with Contractor
Group A – Operational Improvement Plans	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Group B – Operational Improvement Plans	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Group C – Operational Improvement Plans	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Group D – Operational Improvement Plans	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Group E – Operational Improvement Plans	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Monthly Reports	Written and/or in person Board presentation at the discretion of the Board	Regularly scheduled Board meetings, beginning on date to TBD with Contractor
Regular Progress Meetings and/or Reports	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Annual Progress Report/Performance Review	Written and/or in person Board presentation at the discretion of the Board	TBD with Contractor
Final Contract Engagement Report, to include Transition and Training Plan	Written and/or in person Board presentation at the discretion of the Board	TBD with Contractor
Installation of a customized performance appraisal system, as described in Veritas' technical proposal, attached hereto as Part III	Written and/or Board discussion at the discretion of the Board	TBD with Contractor

Updated compensation system, as described in Veritas' technical proposal, attached hereto as Part III	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Program for effective executive coaching strategy, as described in Veritas' technical proposal, attached hereto as Part III	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Retention Management Plan, as described in Veritas' technical proposal, attached hereto as Part III	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Redesigned Program Management Structure, as described in Veritas' technical proposal, attached hereto as Part III	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Development and implementation of Decision Support Unit, as described in Veritas' technical proposal, attached hereto as Part III	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Implementation of the HCAHP Program, as described in Veritas' technical proposal, attached hereto as Part III	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
New Strategic Plan, as described in Veritas' technical proposal, attached hereto as Part III	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Financial Action Plan, as described in Veritas' technical proposal, attached hereto as Part III, subject to Section 3	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Design and implement dashboards and balanced scorecards, as described in Veritas' technical proposal, attached hereto as Part III	Written and/or Board discussion at the discretion of the Board	TBD with Contractor
Diagnostic assessment of the hospital's management structure, as described in Veritas' technical proposal, attached hereto as Part III	Written and/or Board discussion at the discretion of the Board	TBD with Contractor

*\* Any Operational Improvement Plans or reports that involve Finance will require OCFO involvement*

B.11 As the Hospital's operator, and with consultation from the Board, Contractor may participate in ongoing or future strategic partnership discussions.

B.12 Hospital Responsibilities – In addition to the requirements set forth in this Contract, the Hospital shall have the following responsibilities

B.12.1 Provide Contractor with full access to the Hospital, its records, offices, employees, and facilities, in order that it may carry out its obligations hereunder, subject to the confidential requirements of patient medical records as established by the Board, and as required by law. This section may not apply to all Finance Records maintained by the OCFO, for which access shall be governed by Section B.3.

- B.12.2 In accordance with District law, Hospital shall maintain personnel authority over Hospital employees, except those reporting to the OCFO. See Section B.7.
- B.12.3 In accordance with Section E.24, Hospital will pay the Contractor on or before the 30<sup>th</sup> day after receiving a proper invoice from the Contractor. Approval process for such payments will not be unreasonably withheld.



**PART C: PERIOD OF PERFORMANCE**

- C.1 The Base Period of the Contract shall be from the Effective Date through September 30, 2016.
- C.2 Pursuant to Part E.23, the Hospital may extend the Contract for up to three (3) one-year option periods.
- C.3 The total duration of this Contract, including the exercise of any option periods, shall not exceed four (4) years from the Effective Date.

**PART D: CONTRACT ADMINISTRATION**

D.1 The Contracting Officer for this Contract is:

Pamela R. Lee  
1310 Southern Ave, SE  
Washington, DC 20032  
Attn: EVP Hospital Operations & Chief Quality Officer

D.2 The Contracting Officer's Technical Representative (COTR) for this Contract is:

Kai A. Blissett  
1310 Southern Ave, SE  
Washington, DC 20032  
Attn: General Counsel

# SECTION II

## “CONTRACT TERMS and CONDITIONS”

Part E. GENERAL PROVISIONS

Part F. SPECIAL CONTRACT REQUIREMENTS

## **PART E: GENERAL PROVISIONS**

### **E.1 GOVERNING LAW**

This Contract, and any disputes arising out of or related to this Contract, shall be governed by, and construed in accordance with, the laws of the District of Columbia, (without regard to its conflicts of laws principles), except where federal law applies.

### **E.2 RESTRICTIONS ON HOSPITAL**

This Contract in no way restricts the Hospital from participating in similar activities with other public or private agencies, organizations, or individuals.

### **E.3 ENTIRE AGREEMENT**

This Contract, including all attachments incorporated by reference, constitutes the entire understanding and agreement of the parties as to those matters contained in it. No other oral or written understanding shall be of any force or effect with respect to the subject matters contained herein or any of the terms and provisions herein, unless attached to this Contract as an exhibit or set forth in a subsequent amendment. The Contractor has not entered into this Contract in reliance on any promises, assurances, agreements or commitments by Hospital other than those specifically set forth in this Contract.

### **E.4 SEVERABILITY**

Should any provision of this Contract be held to be void, invalid, unenforceable or illegal by a court of competent jurisdiction, the validity and enforceability of the other provisions will not be affected thereby.

### **E.5 HEADINGS**

The headings and captions contained in this Contract are inserted for convenience only and do not constitute a part of this Contract.

### **E.6 NON-DISCRIMINATION**

The Hospital and the Contractor agree to make no distinction for services covered by this Contract on the basis of actual or perceived: race, color, religion, national origin, sex, age, marital status, personal appearance, sexual orientation, gender identity or expression, familial status, family responsibilities, matriculation, political affiliation, genetic information, disability, source of income, or place of residence or business. (District of Columbia Human Rights Act, approved December 13, 1977, as amended (D. C. Law 2-38; D. C. Code §2-1402.11))

### **E.7 WAIVER**

Any waiver of any provision hereof shall not be effective unless expressly made in writing and executed by the party to be charged. The failure of the Hospital or the Contractor to insist on performance of any term or condition of this Contract shall not be construed as a waiver or relinquishment of any rights granted hereunder or of the further performance of any such term, covenant or condition, and the obligations of the Hospital and the Contractor with respect thereto shall continue in full force and effect.

### **E.8 CONFIDENTIALITY**

The parties shall at all times keep the terms of this Contract, the subject matter and existence thereof and the transactions contemplated hereby and any documents received from each other party in connection with the transaction confidential, except to the extent necessary: (a) to comply with applicable law, (b) in connection with a judicial proceeding; or (c) to carry out that party's obligations set forth in this Contract. Any permitted disclosure to third parties shall indicate that the information

is confidential and shall be so treated by the third party. This section shall not preclude the parties from providing copies of this Contract to their respective attorneys, financial advisors and tax advisors. This provision shall survive the termination of this Contract.

**E.9 COUNTERPARTS**

This Contract may be executed in multiple counterparts, each of which shall be deemed an original, and counterpart signature pages may be assembled to form a single original document.

**E.10 ASSIGNMENT AND DELEGATION**

The Contractor shall not assign its/his or her rights under this Contract or assign or delegate its/his or her duties under this Contract without the Hospital's prior written approval.

**E.11 TAX MATTERS**

The Hospital is exempt from and will not pay Federal Excise Tax, Transportation Tax, and District of Columbia Sales and Use Taxes. The Contractor shall be responsible for discovering and resolving its own tax matters arising from this Contract.

**E.12 AUTHORITY AND EXECUTION**

By its/his or her signature, each of the persons signing this Contract represent that they have the authority to execute this Contract and do hereby bind the party on whose behalf its/his or her execution is made. Each Party represents that it is represented by counsel or had the opportunity to confer with counsel about this Contract.

**E.13 NO THIRD PARTY BENEFICIARIES**

This Contract is intended exclusively for the benefit of the parties hereto, and is not intended to and does not confer upon any third party any right, remedy or cause of action. All rights, remedies or causes of action arising under this Contract shall be exercised exclusively by the parties hereto.

**E.14 EXCLUSION FROM FEDERAL HEALTH CARE PROGRAMS**

The Contractor represents and warrants that it has not been nor is about to be excluded from participation in any Federal Healthcare Program. The Contractor agrees to notify Hospital within five (5) business day of its/his or her receipt of a notice of intent to exclude or actual notice of exclusion from any such program. The listing of the Contractor on the Office of Inspector General's exclusion list (OIG website) or the General Services Administration's Lists of Parties Excluded from Federal Procurement and Nonprocurement Programs (GSA website) for excluded individuals and entities shall constitute "exclusion" for purposes of this paragraph. In the event that the Contractor is excluded from any Federal Healthcare Program, this Contract shall immediately terminate. For the purposes of this paragraph, the term "Federal Healthcare Program" means the Medicare program, the Medicaid program, the Maternal and Child Health Services Block Grant program, the Block Grants for State for Social Services program, any state Children's Health Insurance program, or any similar program. Further, the Contractor agrees to indemnify and hold the Hospital harmless from and against any loss, liability, judgment, penalty, fine, damages (including punitive and/or compounded damages), costs (including reasonable attorneys' fees and expenses) incurred by the Hospital as a result of the Contractor's failure to notify the Hospital of the Contractor's exclusion from any Federal Healthcare Program.

**E.15 INDEPENDENT CONTRACTOR RELATIONSHIP**

The Contractor shall be an independent contractor of the Hospital during the term of this Contract and not an employee or agent. The Contractor is not eligible for Hospital employee benefit plans and must obtain and maintain benefit plans on its/his or her own behalf. The Contractor is not permitted or

authorized to make any purchases or incur any liabilities on behalf of the Hospital, or otherwise to obligate the Hospital in any way.

**E.16 QUALITY AND WARRANTIES**

E.16.1 Contractor's workmanship shall be of the highest grade, and all materials provided under this Contract shall be new, of the best quality and grade, and suitable in every respect for the purpose intended.

E.16.2 Contractor warrants and covenants that all Goods and Services delivered: (i) do and will conform with this Contract and all specifications; and (vii) with respect to Services only, will be provided by individuals that have the expertise, skills, training and professional education to perform the Services in a professional manner.

**E.17 LIMITATIONS ON LIABILITY**

Hospital shall not be liable for special, indirect, consequential (including, but not limited to, lost profits), exemplary or punitive damages arising out of or relating to this Contract. Hospital's liability for any claim of any kind arising out of or relating to this Contract will not exceed the price of the goods or services giving rise to the claim.

**E.19 INSPECTION OF SERVICES**

E.19.1 Definition. "Services" as used in this clause includes services performed, workmanship, and material furnished or utilized in the performance of services.

E19.4 If the Contractor fails to promptly perform the services again or take the necessary action to ensure future performance in conformity to contract requirements, the Hospital may (1) by contract or otherwise, perform the services and charge the Contractor any cost incurred by the Hospital that is directly related to the performance of such services, or (2) terminate the contract for default.

**E.20 NOTICE OF CLAIMS**

E.20.1 The Hospital and the Contractor shall promptly inform the other of any information related to this Contract, which could reasonably lead to a claim, demand or liability of or against the Hospital or the Contractor by any third party.

E.20.2 An action other than an action for medical negligence or malpractice may not be maintained against the Corporation for unliquidated damages to persons or property unless, within 6 months after the injury or damage was sustained, the claimant, his agent, or attorney has given notice in writing to the CEO of the approximate time, place, cause, and circumstances of the injury or damage. (D.C. Code §951.14(d))

E.20.3 The District of Columbia and its officers and employees shall not be liable for and may not be made a party to any lawsuits or claims arising from the operation of the Corporation. (D.C. Code §951.14(e))

E.21 INSURANCE

- E.21.1 Contractor shall maintain general liability policies as appropriate, but not less than One Million Dollars (\$1,000,000.00) per occurrence, with excess coverage in an amount not less than Three Million Dollars (\$3,000,000.00) to cover claims in the aggregate.
- E.21.2 Contractor shall maintain workers' compensation insurance as prescribed by law and employer's liability insurance in an amount of not less than \$100,000.00.
- E.21.2 Contractor shall maintain unemployment insurance to the full extent required by statute.
- E.21.4 All such policies of insurance shall be written by companies authorized to conduct business in the District of Columbia, have an AM Best Company rating of A- or higher, be primary and non-contributory, and contain a waiver of subrogation. Contractor agrees that Hospital will receive no less than thirty (30) days written notice prior to the cancellation, modification or non-renewal of any insurance coverage, policy or policies. Contractor shall provide Hospital with certificate(s) of insurance which evidences the coverage described herein, upon execution of this Contract.

E.22 TERMINATION OF CONTRACT

- E.22.1 Termination for Convenience: The Contracting Officer may cancel or terminate performance of work under this Contract, or the entire Contract, at any time, with ninety (90) days' written notice. In the event of such termination or cancellation, the Contractor shall be paid for Services performed through the effective date of the notice in accordance with the pricing and other requirements set forth in this Contract.
- E.22.2 Termination for Default: The Hospital may, terminate the whole or any part of this Contract, by written notice of default, in any one of the following circumstances: (1) If the Contractor fails to make delivery of the supplies or to perform the services within the time specified herein or any extension thereof; or (2) If the Contractor fails to perform any of the other provisions of this contract, or so fails to make progress as to endanger performance of this contract in accordance with its terms, and in either of these two circumstances does not cure such failure within a period of ten (10) days (or such longer period as the Contracting Officer may authorize in writing) after receipt of notice from the Contracting Officer specifying such failure.

E.23 OPTION TO EXTEND

- E.23.1 In accordance with Part C.2, the Hospital may, in its sole discretion and by written notice to the Contractor, extend this Contract prior to the expiration of the then-current term. Although the Hospital may provide preliminary written notice of its intent to exercise an option period or some portion thereof, such preliminary notice does not commit the Hospital to any extension.
- E.23.2 All option period extensions are subject to the availability of appropriated funds at the time of the exercise of the extension.
- E.23.3 Should the Hospital exercise any option period or fraction thereof, the extended Contract shall be considered to include this option provision.

E.23.4 The price for all option period extensions shall be as specified in Part A.

E.23.5 The total duration of this Contract, including the exercise of any option periods, shall not exceed four (4) years from the Effective Date.

#### E.24. INVOICES

E.24.1 The Hospital will make payments to the Contractor, upon the submission of proper invoices, at the prices stipulated in this Contract, for supplies delivered and accepted or services performed and accepted, less any discounts, allowances or adjustments provided for in this Contract.

E.24.2 The Contractor shall submit proper invoices on a monthly basis in arrears. Invoices shall be prepared in duplicate and submitted to the Accounts Payable Department at the Hospital.

E.24.3 To constitute a proper invoice, the Contractor shall submit the following information on the invoice: Contractor's name, federal tax ID and invoice date (date invoices as of the date of mailing or transmittal); Contract number and invoice number; Description, price, quantity and the date(s) that the supplies or services were delivered or performed; Other supporting documentation or information as required by the Contracting Officer; Name, title, telephone number and complete mailing address of the responsible official to whom payment is to be sent and the Contractor's authorized signature.

E.24.4 The Hospital will pay the Contractor on or before the 30<sup>th</sup> day after receiving a proper invoice from the Contractor.

#### E.25 METHOD OF PAYMENT

E.25.1 Payments on partial performance: Payment may be made on partial performance of the Scope of Work that is accepted by the Hospital if (i) the Contractor requests partial payment, (ii) the Contracting Officer can reasonably ascertain the amount due for the accepted partial performance of the Scope of Work; and (iii) the amount is no more than 50 percent of the total Contract price.

E.25.2 Payments on partial delivery and acceptance of each item: Payment may be made on partial deliveries of goods and services accepted by the Hospital if: (i) The Contractor requests it, and (ii) the amount due is in accordance with the completion and acceptance of each item based on a progress schedule or the agreed upon delivery schedule, and (iii) presentation of a properly executed invoice.

E.25.3 Lump sum payment: Payment may be made on the full amount due the Contractor after (i) Completion and acceptance of all work; and (ii) Presentation of a properly executed invoice. The Contracting Officer may authorize equal monthly payments or periodic payments.

E.25.4 Payment for cost reimbursement Contracts, labor rate items and medical services: Payment may be made for approved reimbursable items and for services which are provided on an hourly labor rate bases when approved documentation, including verified timesheets and receipts are submitted. Hourly rates shall be computed by multiplying the appropriate hourly rates in Part A by the number of direct labor hours performed. Fractional parts of an hour shall be payable on a prorated basis. The Hospital may use 27 DCMR 33 as guidance to determine the appropriate cost reimbursement amounts.

#### E.26 CONTRACTING OFFICER

E.26.1 The Contracting Officer has the responsibility and authority outlined in the Hospital's Procurement Rules (27 DCMR 46), including but not limited to: (i) overall contract



administration; (ii) identifying and attempting to resolve issues or problems that arise during contract performance; (iii) authorize contract payments; (iv) exercising contract options; (v) terminating the contract; and (vi) modifying the contract.

E.26.2 The Contractor shall not comply with any order, directive or request that changes or modifies the requirements of this contract, unless issued in writing and signed by the Contracting Officer.

E.26.3 Any change or request made without authorized approval shall be considered to have been made without authority and no adjustment will be made in the contract price to cover any cost increase incurred as a result thereof.

E.26.4 The Contractor (i) will be fully responsible for any changes not authorized in advance, in writing, by the Contracting Officer; (ii) may be denied compensation or other relief for any additional work performed that is not so authorized; and may also be required, at no additional cost to the Hospital, to take all corrective action necessitated by reason of the unauthorized changes.

#### E.27 CONTRACTING OFFICER'S TECHNICAL REPRESENTATIVE (COTR)

E.27.1 The COTR is responsible for general administration of this Contract including ensuring all work conforms to the requirements of the Contract; coordinating site entry for Contractor personnel; reviewing invoices to ensure completed work or goods delivered are consistent with the Contract and that progress is satisfactory and commensurate with the rate of expenditure.

E.27.2 The COTR shall have the authority to:

- advise the Contracting Officer as to the Contractor's compliance or noncompliance with this Contract
- review the Contractor's invoices to ensure performance is consistent with this Contract
- certify that goods and services have been received satisfactorily

E.27.3 The COTR shall not have the authority to:

- award, agree to, or sign any delivery order or task order associated with this Contract
- make modifications to this Contract
- grant deviations from or waive any of the terms and conditions of this Contract
- increase the dollar limit of this Contract
- authorize work beyond the dollar limit or stated scope of this Contract,
- authorize the expenditure of funds by the Contractor in connection with this Contract
- change the period of performance of this Contract

#### E.28 LICENSURES & CERTIFICATIONS

The Contractor shall comply with all applicable District of Columbia business and professional licensing and certification requirements, [D.C. Department of Consumer and Regulatory Affairs](#), [Department of Health Facility Licenses](#), [Department of Health Professional Licenses](#). All such licenses and certifications shall be provided to Hospital upon Contract execution.

#### E.29 BACKGROUND CHECKS

The Contractor shall comply with all applicable federal and District of Columbia criminal background check requirements. This includes the [Criminal Background Check Amendment Act of 2006 \(D.C. Code § 3-1205.22\)](#), and its implementing regulations, [17 DCMR 85](#), and the Health-Care Facility Unlicensed Personnel Criminal Background Check Act of 1998 ([D.C. Code § 44-552](#)), as amended by the Health-Care Facility Unlicensed Personnel Criminal Background Check Amendment Act of 2002, and its implementing regulations, [22 DCMR 47B](#). Evidence of such background checks shall be provided to Hospital upon Contract execution.

**E.30 HIPAA & BUSINESS ASSOCIATE AGREEMENT**

- E.30.1 The Contractor agrees to comply with the medical records laws of the District of Columbia and the Health Insurance Portability and Accountability Act of 1996, 42 U.S.C. § 1320d to 1320d-7 (“HIPAA”) and the final regulations implementing the privacy provisions of HIPAA, 45 C.F.R. Parts 160 and 164 as amended from time to time.
- E.30.2 The Hospital’s Business Associate Agreement is incorporated into and made a part of this Contract. [NFPHC-BAA](#)
- E.30.3 The Contractor agrees to comply with the regulations for confidentiality of alcohol and drug abuse treatment records covered under 42 U.S.C. § 2.1-.67 (“Part 2 Regulations”).
- E.30.4 The Contractor agrees to comply with the requirements of the D.C. Mental Health Information Act of 1978 (D.C. Code § 7-1201.01-1208.07).

## **PART F: SPECIAL CONTRACT REQUIREMENTS**

### **F.1 ANTI-DEFICIENCY ACTS.**

This Contract shall be interpreted in accordance with and pursuant to the provisions of (i) the federal Anti-Deficiency Act, 31 U.S.C. §§ 1341, 1342, 1349-1351 1511-1519 (2008) (“Federal Anti-Deficient Act”), and D.C. Code §§ 1-206.03(e) and 47-105; (ii) the District of Columbia Anti-Deficiency Act, D.C. Code §§ 47-355.01 – 355.08 (“D.C. Anti-Deficiency Act”); (iii) Section 446 of the District of Columbia Home Rule Act, D.C. Code § 1-204.46 (collectively, as amended from time to time, “Anti-Deficiency Acts”. Under the Anti-Deficiency Acts, the Hospital cannot obligate itself to any financial commitment in any present or future year unless the necessary funds to pay that commitment have been appropriated by the Congress of the United States (“Congress”) and are lawfully available for the purpose committed at the time of expenditure. Thus, pursuant to the Anti-Deficiency Acts, nothing in this Contract shall create an obligation of the Hospital in anticipation of an appropriation by Congress for such purpose, and the Hospital’s legal liability for the payment of any amount under this Contract does not and may not arise or obtain in advance of the lawful availability of appropriated funds for the applicable fiscal year as approved by Congress.

### **F.2 INDEMNITY PROVISIONS**

The Hospital cannot and does not agree to unfunded Contract provisions, including those that provide for the Hospital to indemnify the Contractor, its agents, employees, invitees, successors, or assigns.

### **F.3 CONTINGENT FEES**

The Hospital cannot and does not agree to enter into contingent fee contracts, unless the fee amount is limited to a specified amount adequately covered by an available appropriation at the time of contract award.

### **F.4 CONTRACTS IN EXCESS OF ONE MILLION DOLLARS OR MULTIYEAR CONTRACT.**

Any contract involving expenditures in excess of \$1,000,000.00 in a twelve (12) month period or any multiyear contract shall not be binding or give rise to any claim or demand against the Hospital until approved by the Council of the District of Columbia and signed by the Contracting Officer.

### **F.5 FISCAL YEAR FUNDS.**

Any contract that extends beyond the Hospital’s fiscal year is subject to the appropriation of funds for the contract purposes.

### **F.6 FREEDOM OF INFORMATION ACT.**

The District of Columbia Freedom of Information Act (D.C. Code §2-532 (a-3)) requires the Hospital to make available for inspection and copying any record produced or collected pursuant to a Hospital contract with a private contractor to perform a public function, to the same extent as if the record were maintained by the agency on whose behalf the contract is made. If the Contractor receives a request for such information, the Contractor shall immediately send the request to the COTR who will provide the request to the FOIA Officer for the agency with programmatic responsibility in accordance with the D.C. Freedom of Information Act. If the agency with programmatic responsibility receives a request for a record maintained by the Contractor pursuant to the contract, the COTR will forward a copy to the Contractor. In either event, the Contractor is required by law to provide all responsive records to the COTR within the timeframe designated by the COTR. The FOIA Officer for the agency with programmatic responsibility will determine the releasability of the records. The Hospital will reimburse the Contractor for the costs of searching and copying the records in accordance with D.C. Code §2-532 and Chapter 4 of Title 1 of the D.C. Municipal Regulations.

- F.6 HOSPITAL NOT BOUND BY PREDECESSOR'S AGREEMENTS.  
The Contractor acknowledges that the Hospital is not a party to any agreement between the Contractor and the previous for-profit owners of the Hospital facility, and that the Hospital does not assume and is not bound by any agreement between the Contractor and the for-profit entity.
- F.7 The Contractor shall perform all duties hereunder in compliance with applicable federal, and District of Columbia, laws, rules and regulations, including, but not limited to:
- F.7.1 Hospital Medical Staff bylaws, policies, procedures, rules, and regulations (for medical services)
  - F.7.2 Hospital policies, procedures, rules, and regulations
  - F.7.3 The Joint Commission accreditation standards
  - F.7.4 Center for Medicare and Medicaid Services regulations, rules, and conditions of participation
  - F.7.5 Hospital's Procurement Rules ([27 DCMR 46](#); May 27, 2011)
  - F.7.6 District of Columbia Quick Payment Act of 1984, as amended (D.C. Code § 2-221.01)
  - F.7.7 Service Contract Act, 41 USC 351(a); [U.S. Department of Labor](#)
  - F.7.8 D.C. Living Wage Act Of 2006 (D.C. Code §§ 2-220.01-.11)  
[D.C. Department of Employment Services](#)
  - F.7.9 Department Of Labor Wage Rates. [U.S. Department of Labor](#)
  - F.7.10 The Buy American Act ([41 U.S.C. § 10a](#))
- F.8 D.C. DEPARTMENT OF SMALL AND LOCAL BUSINESS DEVELOPMENT  
The Contractor shall comply with all applicable Subcontracting Plan requirements. [Required for all construction and non-construction [Hospital contracts](#) over \$250,000.] [D.C. Department of Small and Local Business Development Subcontracting Plan](#) (Section 43, page 34) [Form](#)
- F.9 D.C. DEPARTMENT OF EMPLOYMENT SERVICES FIRST SOURCE PROGRAM  
The Contractor shall comply with all applicable First Source Program requirements. [Required for contracts over \$300,000.] [D.C. Department of Employment Services First Source Employment Plan](#)
- F.10 STANDARD CONTRACT PROVISIONS  
The Standard Contract Provisions for use with the Not-for Profit-Hospital Corporation Supplies and Services Contracts, dated December 27, 2010, are incorporated into and a part of this Contract. [Standard Contract Provisions](#)
- F.11 ORDER OF PRECEDENCE  
Any conflict in language or any inconsistencies in this Contract shall be resolved by giving precedence to the document in the highest order of priority which contains language addressing the issue in question. The following sets forth in descending order of precedence documents that are hereby incorporated into this Contract by reference and made a part of the Contract:
- F11.1 Sections I and II of this Contract
  - F11.2 Standard Contract Provisions for Use with Not-for-Profit Hospital Corporation Supplies and Services Contracts dated December 27, 2010.
  - F11.3 Hospital's Business Associate Agreement
  - F11.4 Section III (Contractor's Technical Proposal, if applicable)

# SECTION III

## TECHNICAL PROPOSAL

(attached)



NOT-FOR-PROFIT HOSPITAL CORPORATION

**MEMORANDUM**

**To:** Andrew L. Davis  
Chief Executive Officer

**From:** Kai Blissett  
General Counsel

**Reference:** Contract No. NFPHC-292 between the Not-for-Profit Hospital Corporation and Veritas of Washington LLC

**Date:** April 1, 2016

**Subject:** Legal Sufficiency

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I have reviewed Contract No. NFPHC-292 between the Not-for-Profit Hospital Corporation and Veritas of Washington LLC and hereby certify that the contract appears legally sufficient. Please be advised that my finding is premised on the Contract being submitted to and approved by the Council of the District of Columbia. In addition, the Hospital continues to work with other District agencies to determine the most effective manner for all involved to achieve their respective legislative mandates while the Hospital strives to meet: (i) its Establishment Act purposes (D.C Official Code §44-951.02(b)); (ii) the Hospital Board of Directors approved Strategic Plan (all thirteen Councilmembers introduced the Sense of the Council Not-for-Profit Hospital Corporation Transformation and Sustainability Resolution of 2014 (PR20-731)), which expressed the desire that the Hospital move swiftly to implement the strategic plan); and (iii) its newly clarified District government charged legislative mandate as expressed in the Fiscal Year 2015 Budget Support Emergency Act of 2014 (B20-849), which required the Hospital move forward expeditiously with improving UMC operations and soliciting proposals for private sector takeover of the ownership and management of the United Medical Center.

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
Department of Health Care Finance



Office of the Chief Financial Officer

**MEMORANDUM**

**TO:** George A. Schutter  
Acting Chief Procurement Officer  
Office of Contracting and Procurement

**THRU:** Delicia Moore *Delicia Moore*  
Associate Chief Financial Officer  
Human Support Services Cluster

**FROM:** Darrin Shaffer *Darrin A. Shaffer*  
Agency Fiscal Officer  
Department of Health Care Finance

**DATE:** APR 01 2016

**SUBJECT:** Certification of Funding for Veritas of Washington, LLC for FY 2016

This memorandum certifies that funding in the amount of \$2,500,000 is available to the Department of Health Care Finance to support the cost associated with United Medical Center procuring the services of Veritas of Washington LLC. This certification supports the solicitation of a contract from the date of award through September 30, 2016. The allocation is as follows:

**Vendor:** Veritas of Washington, LLC      **Contract Number:** NFPHC-292

**Fiscal Year 2016 Funding**

Agency	Fund	Index	Object	Grant	Amount
HTO	0111	DUMCS	0409	N/A	\$2,500,000

**TOTAL \$2,500,000**

Should you have any questions, please contact me at (202) 442-9079.

cc: Sumita Chaudhuri, DHCF  
Lisa Truitt, DHCF  
Angelique Martin, ORRFA

GOVERNMENT OF THE DISTRICT OF COLUMBIA  
DEPARTMENT OF EMPLOYMENT SERVICES  
Office of Unemployment Compensation/Tax Division



ORIGINAL

**TAX VERIFICATION RESPONSE - DOES**

**CONTRACT SPECIALIST: MAURICE TURNER**

**AGENCY: NOT-FOR-PROFIT HOSPITAL CORPORATION**

**VENDOR NAME: VERITAS OF WASHINGTON LLC**

**D.C.DOES SUI ACCOUNT #: 317222**

**FEDERAL ID #: 473222191**

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**TO BE COMPLETED BY THE DEPARTMENT OF EMPLOYMENT SERVICES TAX DIVISION**

**THE DEPARTMENT OF EMPLOYMENT SERVICES CERTIFIES THAT:**

The prospective Contractor is "IN COMPLIANCE" with the tax filing and payment requirements of the District of Columbia Unemployment Tax Laws or is in compliance with an established payment plan.

The prospective Contractor is "NOT IN COMPLIANCE" with the tax filing and payment requirements of the District of Columbia Unemployment Tax Laws. The Contractor may obtain details of the tax deficiency and make arrangements to correct this deficiency by contacting the tax enforcement officer whose name and telephone number follow:

**Tax Enforcement Officer:** Doris Artis

**Phone #:** (202) 741-8693

**Comments**

SIGNATURE

Acting Tax Chief, Office of Unemployment Compensation

TITLE

3/24/2016

DATE

(202)-741-8693

TELEPHONE Number

**This response/certification is valid for 90 days from the date specified above.**

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ATT: Compliance Officer  
Office of Unemployment Compensation - Tax Division - 4058 Minnesota Avenue, NE, Washington, DC 20019

For more information, please go to the DOES Web Site at <http://www.does.dc.gov/>



DISTRICT OF COLUMBIA

Office of Tax and Revenue  
1101 4th Street SW steW600  
Collection Division  
Washington, DC 20024



OFFICE OF TAX AND REVENUE  
TAX VERIFICATION RESPONSE

REQUESTOR: MAURICE TURNER

AGENCY: NEPHC

VENDOR NAME: VERITAS OF WASHINGTON, LLC FEIN: 47-3222191

TO BE COMPLETED BY THE OFFICE OF TAX & REVENUE

The prospective contractor **is in compliance** with the filing and payment requirements of the District of Columbia tax laws. NFPHC-292

The prospective contractor/individual **is not liable** for the tax filing requirements of the District of Columbia.

The prospective contractor **is not in compliance** with the tax filing and payment requirements of the District of Columbia Tax Law. The contractor may obtain details of the tax deficiency and make arrangements to correct this by contacting the Revenue Officer whose signature appears below.

The prospective contractor has **recently been registered** with the District of Columbia and has not incurred any liabilities so far.

Our records indicate that the prospective contractor **is not registered** to do business in the District of Columbia. Please contact the Office of Tax and Revenue, Customer Service Office at (202) 727-4829 to request a form FR-500 (Combined Registration Application) which must be fully completed and submitted to the address indicated on the form *Office of Tax and Revenue, PO Box 470 Washington, DC 20044-0470* or register online at: [https://www.taxpayerservicecenter.com/FR500\\_Instructions.jsp](https://www.taxpayerservicecenter.com/FR500_Instructions.jsp).

Collections Manager

3/28/2016  
Date

Carolyn Powell  
Senior Revenue Officer

(202) 442-6588  
Telephone Number