



STATE OF ARKANSAS
**Department of Finance
and Administration**

OFFICE OF THE DIRECTOR

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January 14, 2014

Senator Bill Sample, Co-Chair
Representative John Edwards, Co-Chair
Arkansas Legislative Council Committee
Room 171, State Capitol
Little Rock, AR 72201

RE: Suspension of the Rules Request

Gentlemen:

The Department of Human Services has two general service contracts greater than \$100,000 that require legislative review pursuant to Ark. Code Ann. § 19-11-265. The Department of Finance and Administration, Office of State Procurement, therefore respectfully requests a suspension-of-the-rules review of these contracts at the January 17 Legislative Council meeting. There is an imminent need for legislative review that cannot be delayed because there is no Review subcommittee meeting scheduled during this year's fiscal session.

The Department of Human Services, Division of Medical Services (DMS), wishes to begin contracting on February 1, 2014, with Southeastrans Inc. and Mid-Delta Community Services Inc. to provide non-emergency medical transportation services in Regions 4 and 7, respectively. These transportation services are critical to Medicaid recipients in these regions.

The request for proposal to serve these regions was issued in September 2013 and was awarded on November 7, 2013. This timeline would have allowed time for DMS to meet your Committee's deadlines. However, a protest to the award of one region had to be resolved, which significantly contributed to this delay.

Should you have any questions or require additional information, please contact Mark Story, DMS Assistant Director, at (501) 251-5050.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "R. A. Weiss", written over a horizontal line.

Richard A. Weiss
Director

SUMMARY OF STATE TERM CONTRACTS

1. Agency: Department of Human Services **Contract Awarded To:** Southeastrans, Inc.
Medical Services **Location:** Atlanta, GA

Contract Value: \$8,400,000 **Contract Period:** January 1, 2014 – June 30, 2014
Estimated Annual Expenditure

Total Projected: \$57,400,000 (7 years) **Contract Award:** SP-14-0050

Commodity: Non-emergency Medical Transportation – Region 4

2. Agency: Department of Human Services **Contract Awarded To:** Mid-Delta Community
Medical Services Services, Inc.
Location: Helena – West Helena, AR

Contract Value: \$1,515,000 **Contract Period:** February 1, 2014 – June 30, 2014
Estimated Annual Expenditure

Total Projected: \$10,600,000 (7 years) **Contract Award:** SP-14-0050

Commodity: Non-emergency Medical Transportation – Region 7

STATE OF ARKANSAS
OFFICE OF STATE PROCUREMENT
STATE TERM CONTRACT
SP-14-0050

THIS IS A TERM CONTRACT ISSUED BY THE OFFICE OF STATE PROCUREMENT. THIS IS NOT AUTHORITY TO SHIP. A SEPARATE PURCHASE ORDER WILL BE ISSUED. THIS CONTRACT CONSTITUTES ACCEPTANCE OF YOUR BID ALONG WITH ALL TERMS AND CONDITIONS THEREIN AND SIGNIFIES THE OFFERER'S KNOWLEDGE AND ACCEPTANCE OF ALL TERMS AND CONDITIONS SET FORTH WITHIN THE REQUEST FOR PROPOSAL.

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BUYER: Jan Roberts

CONTRACT AWARD: SP-14-0050

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COMMODITY: Non-Emergency Medical Transportation – Region 4

CONTRACT PERIOD: January 1, 2014– June 30, 2014

The contract may be renewed for six and one half (6 ½) additional one-year periods or a portion thereof upon mutual agreement in writing between agency and contractor.

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CONTRACT VALUE: Estimated Annual Expenditure \$8,400,000 Total 7 Year Estimate \$57,400,000

AGENCY CONTACT: Barry Goldman

PHONE: (501) 537-2446

EMAIL: barry.goldman@arkansas.gov

VENDOR CONTACT: Steve Adams

PHONE: (678) 510-4507

EMAIL: sadams@southeastrans.com

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INVOICE TO:
AS SPECIFIED

DELIVER TO:
AS SPECIFIED

CONTRACT AWARD TO:
Southeastrans, Inc.
ATTN: Steve Adams
4751 Best Road, Suite 300
Atlanta, GA 30337

REGION 4 1% discount

Payment = PMPM Base Rate x Bidder's Discount Bid x Fuel Adjustment Factor x Number of NET Covered Eligibles x Utilization Adjustment Factor

STATE OF ARKANSAS OFFICE OF STATE PROCUREMENT

DATE



STATE OF ARKANSAS
OFFICE OF STATE PROCUREMENT
STATE TERM CONTRACT
SP-14-0050

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BUYER: Jan Roberts

CONTRACT AWARD: SP-14-0050

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COMMODITY: Non-Emergency Medical Transportation – Region 7

CONTRACT PERIOD: February 1, 2014– June 30, 2014

The contract may be renewed for six (6) one year and one (1) seven month additional periods or a portion thereof upon mutual agreement in writing between agency and contractor.

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CONTRACT VALUE: Estimated Annual Expenditure \$1,515,000 Total 7 Year Estimate \$10,600,000

AGENCY CONTACT: Barry Goldman

PHONE: (501) 537-2446

EMAIL: barry.goldman@arkansas.gov

VENDOR CONTACT: Margaret Staub

PHONE: (870) 338-6406

EMAIL: mmstaub@suddenlinkmail.com

=====

INVOICE TO:
AS SPECIFIED

DELIVER TO:
AS SPECIFIED

CONTRACT AWARD TO:
Mid-Delta Community Services, Inc.
ATTN: Margaret Staub
610 South Biscoe Street
Helena-West Helena, AR 72342

REGION 7 20% discount

Payment = PMPM Base Rate x Bidder's Discount Bid x Fuel Adjustment Factor x Number of NET Covered Eligibles x Utilization Adjustment Factor

STATE OF ARKANSAS OFFICE OF STATE PROCUREMENT

DATE

