



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

**OFFICE OF THE DIRECTOR**  
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June 13, 2012

Senator Mary Anne Salmon, Co-Chair  
Representative Tommy Lee Baker, Co-Chair  
Arkansas Legislative Council  
Room 171, State Capitol  
Little Rock, AR 72201

RE: Contract No. 4600024819 Review  
Arkansas Department of Veterans Affairs

Dear Senator Salmon and Representative Baker:

This is to inform you that the Arkansas Department of Veterans Affairs has a professional consultant contract that requires your immediate attention. Because of the time-sensitive nature of this contract, the Office of State Procurement of the Department of Finance and Administration respectfully requests an imminent review of this professional service contract. We believe this contract serves the best interest of the State.

The Arkansas Department of Veterans Affairs (DVA) currently has a contract with a physician who has failed to meet the required federal Veterans Administration credentialing standards. This contract expires as of June 30, 2012. Therefore, it is critical that DVA acquires a VA-credentialed physician who is able to access the VA healthcare system. The consequences of not having an approved physician in this position would be detrimental to the health and welfare for the residents and place the agency in jeopardy of being out of compliance with required state and federal VA regulations.

Should you have any questions or require additional information, please contact Tracy Pearsall, Administrative Services Manager, with the Arkansas Department of Veterans Affairs at (501) 992-0182. Thank you in advance for your consideration of this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Richard A. Weiss".

Richard A. Weiss  
Director

**SUMMARY SCHEDULE OF STATE AGENCY CONTRACTS  
FOR ARKANSAS LEGISLATIVE COUNCIL REVIEW  
AS REQUIRED BY ARKANSAS CODE 19-11-1006**

***In-State Contracts***

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<b>1 . Agency:</b>	Veterans Affairs	<b>Contractor:</b>	Robert L. Kerr	<b>State:</b>	AR
		<b>Location:</b>	Little Rock		
<b>Total Authorized:</b>		<b>Org. Term</b>	07/01/2012 06/30/2013	<b>Procurement:</b>	Sole Source by Justification
<b>Total After Review:</b>	\$42,000.00	<b>Funding</b>	State - 100%		
<b>Total Projected:</b>	\$126,000.00			<b>Contract Number:</b>	4600024819
<b><u>Org/Am:</u></b>	<b><u>Amount</u></b>	<b><u>Paid To Date</u></b>	<b><u>Objective:</u></b>		<b><u>New Exp Date</u></b>
Original:	42,000.00		The contractor will serve as the medical director and primary care provider for residents of the Arkansas Veterans Home located in Little Rock. This is a nursing home and domiciliary that consists of approximately 60 veterans. The position is a state and federal VA-mandated requirement for all State Veterans Home.		



**Arkansas Department of Veterans Affairs**

2200 Fort Roots Drive  
Building 65, Room 119  
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Phone (501) 370-3820 / Fax (501) 370-3820

Mike Beebe  
Governor

Alicia "Cissy" Rucker  
Director

June 8, 2012

Senator Mary Anne Salmon  
Representative Tommy Lee Baker  
Arkansas Legislative Council

**Re: Suspension-of-the-Rules Request**

Dear Senator Salmon and Representative Baker:

This is a request for Suspension-of-the-Rules in order to contract services for a Medical Director/Primary Care Physician for residents of the Arkansas State Veterans Home (ASVH) located in Little Rock, AR. Based on regulations by the VA and Office of Long Term Care, Veteran Homes must provide a Medical Director/PCP and pharmacy services for its residents. The current physician's contract will expire on 6/30/12, and the agency cannot extend it because the physician failed to meet required VA Credentialing standards. In May 2012, the Veterans Administration also gave notice that it will no longer honor prescriptions ordered by a non-credentialed physician through the VA healthcare system after 6/10/12. Therefore, it is critical that we acquire both a VA-credentialed physician to be able to access the VA healthcare system. The consequences of not contracting an approved physician would be detrimental to the health and welfare of the residents and place the agency in jeopardy of being out of compliance with required state and federal VA regulations. The home would not be allowed to operate and face imminent closure.

For the reasons stated, we are respectfully requesting a Suspension-of-the-Rules to contract with a qualified VA-credentialed physician for the Medical Director/PCP post. Due to the short notification that was given by the VA and the extreme difficulty in finding a qualified candidate, we require a Sole Source procurement. The competitive bidding process would result in a prolonged gap in medical services for the residents and financial hardship on the agency. Therefore, to avert a disruption in critical patient services, we are requesting to expedite the procurement process. Contract# 4600024819 has been submitted for your consideration to hire Dr. Robert Kerr, M.D. effective 7/1/12. We appreciate your consideration in helping to alleviate this difficult dilemma.

Please feel free to contact me if you have any questions or concerns at 501-992-0182.

  
Tracy Pearsall  
Administrative Services Manager