CONTRACT #22
RFS # 339.11-10511
FA # 11-34107
Edison # 24296

Mental Health
Middle Tennessee Mental Health Institute

VENDOR:
Milestone Healthcare, Inc., d.b.a. Milestone Staffing Services

STATE OF TENNESSEE
DEPARTMENT OF MENTAL HEALTH
MIDDLE TENNESSEE MENTAL HEALTH INSTITUTE
221 STEWARTS FERRY PIKE
NASHVILLE, TENNESSEE 37214
(615) 902-7400

RECEIVED
MAR 13 2012
FISCAL REVIEW

MEMORANDUM:

TO: **FISCAL REVIEW COMMITTEE**

FROM: Mark Stanley, Director Financial Services

DATE: February 28, 2012

SUBJECT: AMENDMENT ONE – MILESTONE HEALTHCARE, INC., D/B/A MILESTONE STAFFING SERVICES - MTMHI NURSING SERVICES CONTRACT – RFS#33911-10511, FA-1134107, EDISON #24296

The subject contract above is one (1) of four (4) Middle Tennessee Mental Health Institute (MTMHI) nursing agency contracts awarded through the RFP process. The purpose of this amendment is to extend this contract for an additional year with additional funds to continue the same nursing bid rates from the last fiscal year of the Contract.

The Milestone Healthcare, Inc., d/b/a Milestone Staffing Services, 1st Alternate Contract, was awarded through RFP#33911-10511 for MTMHI Nursing Services. Continuing this contract will help provide quality, cost-effective nursing services for service recipients of MTMHI and help maintain the hospital accreditation standards set by Medicare and "The Joint Commission."

The following required FRC documentation is being provided to you:

1. Non-Competitive Amendment Request
2. Fiscal Review Committee Supplemental
3. Edison Documentation of Expenditures
4. Amendment One and Contract Summary Sheet
5. Approved RFP E-Health Pre-Approval Endorsement
6. Original Contract and Contract Summary Sheet

If you need additional information, please let us know. Your consideration of this amendment is very much appreciated.

MS:PM

ATTACHMENTS

Supplemental Documentation Required for Fiscal Review Committee

*Contact Name:	Mark Stanley	*Contact Phone:	615-902-7443
*Original Contract Number:	FA-1134107	*Original RFS Number:	33911-10511
Edison Contract Number: (*if applicable*)	24296	Edison RFS Number: (*if applicable*)	33911-10511
*Original Contract Begin Date:	12/01/2010	*Current End Date:	06/30/2012
Current Request Amendment Number: (*if applicable*)		ONE	
Proposed Amendment Effective Date: (*if applicable*)		07/01/2012	
*Department Submitting:		TN Dept. of Mental Health (TDMH)	
*Division:		Middle TN Mental Health Institute (MTMHI)	
*Date Submitted:		02/28/2012	
*Submitted Within Sixty (60) days:		Yes	
If not, explain:			
*Contract Vendor Name:		Milestone Healthcare, Inc. d/b/a Milestone Staffing Services	
*Current Maximum Liability:		$727,108.00	

*Current Contract Allocation by Fiscal Year:
(as Shown on Most Current Fully Executed Contract Summary Sheet)

FY:10-11	FY:11-12	FY:	FY:	FY	FY
$352,108.00	$375,000.00	$	$	$	$

*Current Total Expenditures by Fiscal Year of Contract:
(attach backup documentation from STARS or FDAS report)

FY:10-11	FY:11-12	FY:	FY:	FY	FY
$119,397.14	$288,369.15	$	$	$	$

IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:	Agency did not provide sufficient services to spend funding allocated for FY 2011. Surplus funds were carried forward to the next fiscal year.
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:	Agency did not provide sufficient services to spend funding allocated. Surplus funds were automatically carried forward to the next fiscal year in Edison, FY 2012.
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding was acquired to pay the overage:	Contract Expenditures are not expected to exceed Contract Allocation for FY 2012.

Supplemental Documentation Required for Fiscal Review Committee

*Contract Funding Source/Amount:	State:		Federal:	
Interdepartmental:			*Other*:	
If "*other*" please define:				

Dates of All Previous Amendments or Revisions: (*if applicable*)	Brief Description of Actions in Previous Amendments or Revisions: (*if applicable*)
None	N/A

Method of Original Award: (*if applicable*)	RFP
*What were the projected costs of the service for the entire term of the contract prior to contract award?	$727,108.00

Supplemental Documentation Required for Fiscal Review Committee

For all new non-competitive contracts and any contract amendment that changes Sections A or C.3. of the original or previously amended contract document, provide estimates based on information provided the Department by the vendor for determination of contract maximum liability. Add rows as necessary to provide all information requested.

If it is determined that the question is not applicable to your contract document attach detailed explanation as to why that determination was made.

Planned expenditures by fiscal year by deliverable. Add rows as necessary to indicate all estimated contract expenditures.

Deliverable description:	FY:10-11	FY:11-12	FY:12-13	FY:	FY:
Nursing Services	$119,397.14	$438,369.15	$430,341.71		

Proposed savings to be realized per fiscal year by entering into this contract. If amendment to an existing contract, please indicate the proposed savings to be realized by the amendment. Add rows as necessary to define all potential savings per deliverable.

NOTE: Does not apply as all the nurse contracts were issued as the result of an RFP. An extension clause was included in each contract which allowed MTMHI to extend the term and add dollars for up to five years. Funds are not expended unless a service is provided.

Deliverable description:	FY:	FY:	FY:	FY:	FY:
N/A					

Comparison of cost per fiscal year of obtaining this service through the proposed contract or amendment vs. other options. List other options available (including other vendors), cost of other options, and source of information for comparison of other options (e.g. catalog, Web site). Add rows as necessary to indicate price differentials between contract deliverables.

NOTE: Does not apply as all the nurse contracts were issued as the result of an RFP. An extension clause was included in each contract which allowed MTMHI to extend the term and add dollars for up to five years. Funds are not expended unless a service is provided.

Proposed Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:
N/A					
Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:
Other Vendor Cost: (name of vendor)	FY:	FY:	FY:	FY:	FY:

edison

The State of Tennessee's Enterprise Resou

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Contract Create Release Review Releases

SetID: SHARE

*Status: Approved

Contract ID: 0000000000000000000024296

Contract Type SVC (F A) Type Contract

Administrator: patr0701001 Patricia Midgett

Authored Document

Authored Status: Approved Version: 0.00 Amendment: 0 Maintain

Header

Process Option: Purchase Order

Vendor: MILESTONE-002

Vendor ID: 0000116415 Milestone Staffing Services

Begin Date: 12/01/2010 Vendor Details

Expire Date: 06/30/2012 Sub Contractor

Currency: USD CRRNT

Primary Contact:

Vendor Contract Ref:

Description: RFS#33911-10511

Master Contract ID:

Tax Exempt

Supplier Vendor Type

SWC Nbr

Add Comments | Activity Log

Contract Activities | Document Status

Primary Contact Info | Thresholds & Notifications

Contract Agreement | Renewals/Extensions

Amount Summary

Maximum Amount:	727,108.00
Line Released:	407,766.29
Open Item Relsd:	0.00
Total Released Amount:	407,766.29
Remaining Amount:	319,341.71
Remaining Percent:	43.92

Order Contract Options

- Allow Multicurrency PO
- Corporate Contract
- Lock Chartfields
- Allow Open Item Reference
- Adjust Vendor Pricing First
- Price Can Be Changed on Order
- Must Use Contract Rate Date

Rate Date: 12/03/2010

PO Defaults | PO Open Item Pricing

Add Items From

Catalog | Item Search

Lines

Details	Order By Amount	Item Information	Default Schedule	Release Amount	Release Quantities
1	Item		NURSING SERVICES	DO	948-64

View Category Hierarchy | Category Search

Save | Return to Search | Notify | Refresh

Contract | Create Release | Review Releases

Payme 25

Unit	Sum Amount	Edison Contract ID	Vendor ID	Vendor Name	Type	PO ID	D.VOUCHER	Year
33911	438.750	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005615	00008248	2011
33911	1526.250	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005902	00008741	2011
33911	3445.000	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006111	00009195	2011
33911	3730.000	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006509	00009792	2011
33911	4062.500	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006752	00010239	2011
33911	4072.500	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006039	00009041	2011
33911	4155.000	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005709	00008561	2011
33911	4179.500	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006097	00009189	2011
33911	4350.000	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005600	00008255	2011
33911	4481.250	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005710	00008562	2011
33911	4620.000	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006096	00009188	2011
33911	4648.750	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005903	00008742	2011
33911	4661.250	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005793	00008629	2011
33911	4783.750	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005598	00008252	2011
33911	5303.750	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006606	00009960	2011
33911	5307.500	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006038	00009040	2011
33911	5450.250	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006506	00009794	2011
33911	5687.000	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006507	00009793	2011
33911	5696.250	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006753	00010240	2011
33911	5898.750	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006213	00009311	2011
33911	5923.140	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005599	00008254	2011
33911	6135.000	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006304	00009576	2011
33911	6585.000	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005601	00008257	2011
33911	6618.000	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000006402	00009588	2011
33911	7638.000	0000000000000000000024296	0000116415	Milestone Staffing Service DFA		0000005596	00008244	2011
	$ 119,397.140	**FY2011-CONTRACT AMT. SPENT**						

POs by 66

Unit	PO No	PO Status	Budget	PO Li	Vendor	Name	Sum PO Amount	Sum Voucher Amoun	Contract
33911	0000008967	Dispatched	Valid	1	0000116415	Milestone Healthcare In	5119.890	0.000	0000000000000000000024296
33911	0000008872	Dispatched	Valid	1	0000116415	Milestone Healthcare In	7536.890	7536.890	0000000000000000000024296
33911	0000008861	Dispatched	Valid	1	0000116415	Milestone Healthcare In	5627.280	5627.280	0000000000000000000024296
33911	0000008791	Compl	Valid	1	0000116415	Milestone Healthcare In	7577.670	7577.670	0000000000000000000024296
33911	0000008731	Compl	Valid	1	0000116415	Milestone Healthcare In	6530.370	6530.370	0000000000000000000024296
33911	0000008730	Compl	Valid	1	0000116415	Milestone Healthcare In	5062.170	5062.170	0000000000000000000024296
33911	0000008670	Compl	Valid	1	0000116415	Milestone Healthcare In	7203.170	7203.170	0000000000000000000024296
33911	0000008631	Compl	Valid	1	0000116415	Milestone Healthcare In	7117.900	7117.900	0000000000000000000024296
33911	0000008502	Compl	Valid	1	0000116415	Milestone Healthcare In	5942.910	5942.910	0000000000000000000024296
33911	0000008433	Compl	Valid	1	0000116415	Milestone Healthcare In	8974.980	8974.980	0000000000000000000024296
33911	0000008330	Compl	Valid	1	0000116415	Milestone Healthcare In	7531.400	7531.400	0000000000000000000024296
33911	0000008291	Compl	Valid	1	0000116415	Milestone Healthcare In	6029.800	6029.800	0000000000000000000024296
33911	0000008149	Compl	Valid	1	0000116415	Milestone Healthcare In	6088.300	6088.300	0000000000000000000024296
33911	0000008135	Compl	Valid	1	0000116415	Milestone Healthcare In	6729.170	6729.170	0000000000000000000024296
33911	0000008068	Compl	Valid	1	0000116415	Milestone Healthcare In	10104.030	10104.030	0000000000000000000024296
33911	0000008032	Compl	Valid	1	0000116415	Milestone Healthcare In	10018.530	10018.530	0000000000000000000024296
33911	0000008031	Compl	Valid	1	0000116415	Milestone Healthcare In	8799.440	8799.440	0000000000000000000024296
33911	0000007917	Compl	Valid	1	0000116415	Milestone Healthcare In	12713.250	12713.250	0000000000000000000024296
33911	0000007847	Compl	Valid	1	0000116415	Milestone Healthcare In	13302.820	13720.040	0000000000000000000024296
33911	0000007812	Compl	Valid	1	0000116415	Milestone Healthcare In	9265.040	9265.040	0000000000000000000024296
33911	0000007743	Compl	Valid	1	0000116415	Milestone Healthcare In	9362.070	9362.070	0000000000000000000024296
33911	0000007632	Compl	Valid	1	0000116415	Milestone Healthcare In	7651.980	7651.980	0000000000000000000024296
33911	0000007630	Compl	Valid	1	0000116415	Milestone Healthcare In	7094.560	7094.560	0000000000000000000024296
33911	0000007595	Compl	Valid	1	0000116415	Milestone Healthcare In	10408.670	10408.670	0000000000000000000024296
33911	0000007594	Compl	Valid	1	0000116415	Milestone Healthcare In	7972.920	7972.920	0000000000000000000024296
33911	0000007560	Compl	Valid	1	0000116415	Milestone Healthcare In	9608.820	9608.820	0000000000000000000024296
33911	0000007559	Compl	Valid	1	0000116415	Milestone Healthcare In	8909.780	8909.780	0000000000000000000024296
33911	0000007552	Compl	Valid	1	0000116415	Milestone Healthcare In	7737.040	7737.040	0000000000000000000024296
33911	0000007409	Compl	Valid	1	0000116415	Milestone Healthcare In	9224.050	9619.050	0000000000000000000024296
33911	0000007239	Compl	Valid	1	0000116415	Milestone Healthcare In	5796.660	7446.660	0000000000000000000024296
33911	0000007238	Compl	Valid	1	0000116415	Milestone Healthcare In	5411.830	6951.830	0000000000000000000024296
33911	0000007141	Compl	Valid	1	0000116415	Milestone Healthcare In	4304.750	4304.750	0000000000000000000024296
33911	0000007139	Compl	Valid	1	0000116415	Milestone Healthcare In	6865.010	6865.010	0000000000000000000024296
33911	0000007137	Compl	Valid	1	0000116415	Milestone Healthcare In	8396.250	8396.250	0000000000000000000024296
33911	0000007127	Compl	Valid	1	0000116415	Milestone Healthcare In	6913.000	8453.000	0000000000000000000024296
33911	0000007126	Compl	Valid	1	0000116415	Milestone Healthcare In	7928.750	9578.750	0000000000000000000024296
33911	0000007124	Compl	Valid	1	0000116415	Milestone Healthcare In	7508.000	9213.000	0000000000000000000024296

$ 288,369.150 FY2012-CONTRACT AMT. RELEASED TO DATE

Non-Competitive Amendment Request

NOT required for a contract with a federal, Tennessee, or Tennessee local government entity or a grant.
Route a completed request, as one file in PDF format, via e-mail attachment sent to: Agsprs.Agsprs@state.tn.us

APPROVED
COMMISSIONER OF FINANCE & ADMINISTRATION

Request Tracking #	RFS#33911-10511
1. Procuring Agency	TENNESSEE DEPARTMENT OF MENTAL HEALTH (TDMH) /MIDDLE TENNESSEE MENTAL HEALTH INSTITUTE (MTMHI)
2. Contractor	MILESTONE HEALTHCARE, INC., D/B/A MILESTONE STAFFING SERVICES
3. Contract #	FA-1134107
4. Proposed Amendment #	ONE
5. Edison ID #	24296

6. Contract Begin Date	12/01/2010
7. Current Contract End Date *– with ALL options to extend exercised*	06/30/2012
8. Proposed Contract End Date *– with ALL options to extend exercised*	06/30/2013
9. Current Maximum Contract Cost *– with ALL options to extend exercised*	$727,108.00
10. Proposed Maximum Contract Cost *– with ALL options to extend exercised*	$988,108.00
11. Office for Information Resources Endorsement *– information technology service (N/A to THDA)*	☒ Not Applicable ☐ Attached
12. eHealth Initiative Support *– health-related professional, pharmaceutical, laboratory, or imaging*	☐ Not Applicable ☒ Attached
13. Human Resources Support *– state employee training service*	☒ Not Applicable ☐ Attached

14. Explanation Need for the Proposed Amendment

To extend the term of the MTMHI Milestone Healthcare, Inc., d/b/a Milestone Staffing Services Contract and add $261,000.00 in order to continue the contract for another year for the provision of nursing services.

15. Name & Address of the Contractor's Principal Owner(s)
– NOT required for a TN state education institution

Roger Jenkins, General Manager of Operations

Request Tracking #	RFS#33911-10511

Milestone Healthcare, Inc.
d/b/a Milestone Staffing Services
2435 North Central Expressway, Ste 1420
Richardson, TX 75080

16. Evidence Contractor's Experience & Length Of Experience Providing the Service

Milestone has provided MTMHI nursing services for at least the past eleven (11) years through either an FA Contract awarded through the RFP bid process or through an ATV bid process awarded through a Nursing DPA.

17. Efforts to Identify Reasonable, Competitive, Procurement Alternatives

Milestone was awarded as the 3rd lowest cost evaluation score as the 1st Alternate Contractor of the four (4) awarded FA Nursing Contracts obtained through the RFP Cost-Based Award Selection Process that was sent to thirty-four (34) potential nursing agencies.

18. Justification – *specifically explain why non-competitive negotiation is in the best interest of the state*

The vendor, Milestone Healthcare, Inc., d/b/a Milestone Staffing Services, was selected through the RFP process and it is in the best interest of the State to continue this contract with them.

Agency Head Signature and Date – *MUST be signed by the ACTUAL agency head as detailed on the current Signature Certification. Signature by an authorized signatory is acceptable only in documented exigent circumstances*

3/12/12

CONTRACT AMENDMENT

Agency Tracking #	Edison ID	Contract #	Amendment #
33911-10511	24296	FA-1134107	ONE

Contractor Legal Entity Name	Edison Vendor ID
Milestone Healthcare, Inc. d/b/a Milestone Staffing Services	116415

Amendment Purpose & Effect(s)

To extend the Nursing Contract for another Fiscal Year with additional funds

Amendment Changes Contract End Date: ☒ YES ☐ NO | End Date: June 30, 2013

TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): $261,000.00

Funding —

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2011				$352,108.00	$352,108.00
2012				$375,000.00	$375,000.00
2013				$261,000.00	$261,000.00
TOTAL:				$988,108.00	$988,108.00

American Recovery and Reinvestment Act (ARRA) Funding: ☐ YES ☒ NO

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

Speed Chart (optional)	Account Code (optional)
	70804000

OCR USE

AMENDMENT ONE
OF CONTRACT FA-1134107

This Amendment is made and entered by and between the State of Tennessee, Department of Mental Health (as amended herein), Middle Tennessee Mental Health Institute, hereinafter referred to as the "State" and Milestone Healthcare, Inc. d/b/a Milestone Staffing Services, hereinafter referred to as the "Contractor." It is mutually understood and agreed by and between said, undersigned contracting parties that the subject contract is hereby amended as follows:

1. Contract Section B.1. is deleted in its entirety and replaced with the following:

   B.1. The Contract shall be effective for the period commencing on July 1, 2010 and ending on June 30, 2013. The State shall have no obligation for series rendered by the Contractor which are not performed within the specified period.

2. Contract Section C.1. is deleted in its entirety and replaced with the following:

   C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Nine Hundred Eighty-Eight Thousand One Hundred Eight Dollars ($988,108.00). The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for the Service and all of the Contractor's obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

   The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

3. Contract Section C.1. is deleted in its entirety and replaced with the following:

   C.3.b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

Service Description	Amount (per compensable increments)		
	12/01/10–06/30/11	07/01/11–06/30/12	07/01/12–06/30/13
RN (Registered Nurse)	$32.00/hour	$33.00/hour	$33.00/hour
LPN (Licensed Practical Nurse)	$25.00/hour	$26.00/hour	$26.00/hour
CNA (Certified Nurse Aide)	$15.00/hour	$15.50/hour	$15.50/hour

4. Contract Section E.2. is deleted in its entirety and replaced with the following:

   E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Mark Stanley, Director of Financial Services
Tennessee Department of Mental Health and Developmental Disabilities
Middle Tennessee Mental Health Institute
221 Stewarts Ferry Pike
Nashville, TN 37214
EMail: Mark.Stanley@tn.gov
Phone # (615) 902-7443
Fax # (615) 902-7427

The Contractor:

Eric Britt, Branch Manager
Milestone Healthcare, Inc.
d/b/a Milestone Staffing Services
One Vantage Way, Suite E-130
Nashville, TN 37228
E-Mail: ebritt@milestonestaffing.com
Telephone # 615-726-0101
FAX # 615-726-0211
CL#731-571-7459

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

5. The following is added as Contract Section E.22.:

E.22. Department Name. All references to "Department of Mental Health and Developmental Disabilities" shall be deleted and replaced with "Department of Mental Health."

Required Approvals. The State is not bound by this Amendment until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Human Resources, and the Comptroller of the Treasury).

Amendment Effective Date. The revisions set forth herein shall be effective July 1, 2012. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

MILESTONE HEALTHCARE, INC. d/b/a MILESTONE STAFFING SERVICES:

SIGNATURE **DATE**

PRINTED NAME AND TITLE OF SIGNATORY (above)

TENNESSEE DEPARTMENT OF MENTAL HEALTH:

E. DOUGLAS VARNEY, COMMISSIONER **DATE**

E-Health Pre-Approval Endorsement Request
E-Mail Transmittal

TO : Lovel VanArsdale, Office of e-Health Initiatives
Department of Finance & Administration

E-Mail : Lovel.Vanarsdale@tn.gov

FROM : Patricia Midgett, ASA3
Department of Mental Health & Developmental Disabilities/Middle TN Mental Health Institute

E-Mail : Patricia.Midgett@tn.gov

DATE : March 23, 2010

RE : Request for eHealth Pre-Approval Endorsement

APPLICABLE RFS # 339.11-10511

OFFICE OF E-HEALTH INITIATIVES ENDORSEMENT SIGNATURE & DATE :

5/24/2010

Office of e-Health Initiatives

Office of e-Health Initiatives (eHealth) pre-approval endorsement appears to be required pursuant to professional service contracting regulations pertaining to procurements with medical/mental health-related professional, pharmaceutical, laboratory, or imaging type services as a component of the scope of service. This request seeks to ensure that eHealth is aware of and has an opportunity to review the procurement detailed below and in the attached document(s).

Please indicate eHealth endorsement of the described procurement (with the appropriate signature above), and return this document via e-mail at your earliest convenience.

MEDICAL/MENTAL HEALTH-RELATED SERVICE DESCRIPTION :

The State intends to secure a contract for the provision of part-time Nursing Services to provide adequate nursing services for service recipients of Middle Tennessee Mental Health Institute (MTMHI) when State positions are unable to provide the level of nursing services required. The Nursing Services required include Registered Nurses (RNs), Licensed Practical Nurses (LPNs), and Certified Nurse Technicians (CNTs). A shortage of MTMHI Nursing Staff may occur due to vacancies, illnesses, and personal emergencies.

CONTRACTING AGENCY CONTACT :

Mark Stanley, Director of Financial Services

615-902-7443

Mark.Stanley@tn.gov

REQUIRED ATTACHMENT(S) AS APPLICABLE (copies without signatures acceptable) :

- [x] **RFP, Competitive Negotiation Request, Alternative Procurement Method Request, or Non-Competitive Contract/Amendment Request**
- [ ] **proposed contract/grant or amendment**

CONTRACT

(fee-for-service contract with an individual, business, non-profit, or governmental entity of another state)

Begin Date	End Date	Agency Tracking #	Edison ID
December 1, 2010	June 30, 2012	33911-10511	24296

Contractor Legal Entity Name	Registration ID
MILESTONE HEALTHCARE, INC., d/b/a MILESTONE STAFFING SERVICES	116415

Subrecipient or Vendor	CFDA #	FEIN or SSN
☐ Subrecipient ☒ Vendor	N/A	75-2592398

Service Caption (one line only)

NURSING SERVICES

FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2011				$352,108.00	$352,108.00
2012				$375,000.00	$375,000.00
TOTAL:				$727,108.00	$727,108.00

American Recovery and Reinvestment Act (ARRA) Funding: ☐ YES ☒ NO

Ownership/Control

☐ African American	☐ Asian	☐ Hispanic	☐ Native American	☐ Female
☐ Person w/Disability	☐ Small Business	☐ Government	☒ NOT Minority/Disadvantaged	
☐ Other:				

Selection Method & Process Summary (mark the correct response to confirm the associated summary)

☒ RFP	The procurement process was completed in accordance with the approved RFP document and associated regulations.
☐ Competitive Negotiation	The predefined, competitive, impartial, negotiation process was completed in accordance with the associated, approved procedures and evaluation criteria.
☐ Alternative Competitive Method	The predefined, competitive, impartial, procurement process was completed in accordance with the associated, approved procedures and evaluation criteria.
☐ Non-Competitive Negotiation	The non-competitive contractor selection was completed as approved, and the procurement process included a negotiation of best possible terms & price.
☐ Other	The contractor selection was directed by law, court order, settlement agreement, or resulted from the state making the same agreement with all interested parties or all parties in a predetermined "class."

Budget Officer Confirmation: There is a balance in the appropriation from which obligations hereunder are required to be paid that is not already encumbered to pay other obligations.

Speed Code	Account Code
	70804

Secured Document

FA1134107

CONTRACT
BETWEEN THE STATE OF TENNESSEE,
OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES,
MIDDLE TENNESSEE MENTAL HEALTH INSTITUTE
AND
MILESTONE STAFFING SERVICES, INC.

This Contract, by and between the State of Tennessee, Department of Mental Health and Developmental Disabilities, Middle Tennessee Mental Health Institute, hereinafter referred to as the 'State" and Milestone Staffing Services, Inc., hereinafter referred to as the "Contractor," is for the provision of nursing services, as further defined in the "SCOPE OF SERVICES."

The Contractor is a For Profit Corporation.
Contractor Federal Employer Identification, Social Security, or Edison Registration ID #116415
Contractor Place of Incorporation or Organization: Tennessee.

A. SCOPE OF SERVICES:

A.1. The Contractor shall provide all service and deliverables as required, described, and detailed herein and shall meet all service and delivery timelines as specified by this Contract.

A.2. Service Definition:

a. The State needs to procure adequate nursing services for service recipients of Middle Tennessee Mental Health Institute (hereinafter referred to as Facility) when State positions are unable to provide the level of nursing services required. The *pro re nata* (PRN, as needed) nurses required may include Registered Nurses (RNs), Licensed Practical Nurses (LPNs), and Certified Nurse Aides (CNAs). The level of nursing services required depends upon the shortage of Facility nursing services due to vacancies, illnesses, and personal emergencies, and/or health condition and increase in the number of incoming service recipients, as well as unpredictable emergencies that may arise, and general unpredictability of needs that the service recipients may require.

b. The Contractor(s) shall provide nursing services as required and described in this Scope of Services, for the times and duration as described in this Scope of Services, and in accordance with all terms and conditions specified in this Contract. The State shall not be obligated to use any particular minimum number of personnel. Quality patient care, in accordance with standards specified in this Contract, is to be provided during the twenty-four hours per day/seven days per week/three hundred sixty-five days per year (24/7/365) operation of the Facility.

A.3. Service Recipients:

Services shall be provided to an expected ninety percent (90%) of the Maximum Daily Capacity of one hundred ninety-five (195) psychiatric beds which is one hundred seventy-six (176) service recipients per day broken down approximately as sixty-eight (68) Acute Adults, ninety (90) Sub-Acute Adults, and eighteen (18) Secured Forensic Services Program Adults in one hundred seventy-six (176) psychiatric beds.

A.4. Staffing Needs:

a. The State shall not be obligated to use any particular minimum number of Contractor personnel to meet the needs of the Facility.

b. The Facility's Director of Nursing or designee shall base the need for nursing services on a review of the service recipient load and available staff. Requests for nursing services shall be coordinated between the Contractor(s) and his/her representative and the Facility's Director of Nursing or designee.

c. The following numbers shall not create any rights, interests, or claims of entitlement in the Contractor(s), and shall not be construed as any type of volume guarantee or minimum quantity. Additional information about coverage, work shifts, holidays, weekends, and general time and attendance is in Section A.6. Estimated numbers of individuals needed to perform nursing services at the Facility are as follows.

(1) RNs (as needed) (up to 20 shifts per week) maximum of 4,000 work hours per year;

(2) LPNs (as needed) (up to 20 shifts per week) maximum of 15,400 work hours per year; and

(3) CNAs (as needed) (up to 30 shifts per week) maximum of 40,600 work hours per year.

A.5. Structure:

a. The Contractor agrees to provide appropriately licensed individuals to perform nursing services at the Facility as described in this Scope of Services.

b. The Contractor agrees that it shall not provide any services pursuant to this Contract until the following conditions are met:

(1) The Contractor shall screen all individuals expected to be assigned to perform nursing services at the Facility under this Contract, and certify that such individuals are appropriately licensed to practice in the State of Tennessee. Copies of certifications, transcripts, licensure, and curriculum vitae; and professional references must be provided to the Facility by the Contractor.

(2) The Contractor shall verify that all individuals expected to be assigned to perform nursing services at the Facility are able to perform the duties as specified in this Contract and are able to communicate effectively in the English language.

(3) The Facility's Chief Executive Officer, or designee, has reviewed the credentials of each individual expected to be assigned to perform nursing services at the Facility; and, if deemed necessary, has personally interviewed such individual.

(4) The Contractor shall ensure that each individual expected to be assigned to perform nursing services at the Facility has the appropriate current active license to practice in the State of Tennessee as well as the following:

i. At least one (1) year of nursing experience is required. Proof of experience in nursing must be validated in writing. Psychiatric nursing experience of one (1) year or more is preferred.

ii. Be qualified in cardio-pulmonary resuscitation (CPR) procedures. The Contractor must provide written verification that the individual expected to be assigned to perform nursing services at the Facility is currently certified in CPR procedures, and the Contractor shall submit written verification of annual training. The initial and all subsequent verifications

should include the effective date of certification. No nurse will be allowed to work under this Contract without a current CPR certification.

iii. Contractor must provide annual in-services on Infection Control and Fire and Safety for all staff members and provide proof to the Facility.

iv. For all orientation, in-service, education, and other training provided by the Contractor to its staff, the Facility requires the Contractor to provide an outline of educational content to the Facility for Facility staff development files; and

v. The Contractor shall provide a documented performance evaluation of each of its nurses at least annually.

(5) The Contractor shall ensure that the immunization status of each individual expected to be assigned to perform nursing services at the Facility includes the results of a current tuberculosis skin test, and documentation that immunization against hepatitis B, hepatitis A, and tetanus was offered and either accepted or rejected. The Contractor must provide written documentation of such at the time each such individual is assigned to the Facility and must provide updated information for each such individual annually. The cost of tuberculosis testing and immunizations are to be paid by the Contractor.

(6) Contractor has verified personal and professional references and conducted a criminal background check to ensure that no individual expected to be assigned to perform nursing services at the Facility has been convicted of a felony or has current charges outstanding which would constitute a felony in the State of Tennessee. In addition no such individual appears on the Tennessee Bureau of Investigation's (TBI's) Tennessee Sexual Offender Registry or the Elderly and Vulnerable Abuse Registry maintained by the Tennessee Department of Health. Further, the Contractor shall ensure that each such individual's file includes the results of a full background investigation that relates to such individual's employment history, and criminal history, including any confirmed history of sexual, physical, or mental abuse towards others. This investigation shall be conducted by the Contractor at its own expense for each such individual and the resulting information shall be provided to the Facility's Human Resources Office, as allowed by law, two (2) weeks before such individual shall be permitted to work at Facility. The State must be immediately notified of any changes in the status of the above information when the Contractor becomes aware of such changes. Required Background Checks are to consist of the following:

i. Fingerprints;

ii. Identity and Employment Eligibility verification as required by Form I-9 of the US Department of Justice;

iii. Check of the TBI's Tennessee Sexual Offender Registry; and

iv. Check of the Elderly and Vulnerable Abuse Registry maintained by the Tennessee Department of Health;

(7) Contractor shall warrant that all individuals expected to be assigned to perform nursing services at the Facility are drug-free at the point of initial assignment and the Contractor shall ensure that such individuals are included in a random drug testing program conducted, at least annually, by the Contractor. The first set of test results shall be submitted to the Facility's Human Resources Office two (2)

weeks before such individual shall be permitted to work at the Facility; subsequent test results shall be submitted annually thereafter. The Contractor shall further warrant that no such individual is in the Nursing Peer Assistance Program. The Facility will not accept any such individual who is in the Nursing Peer Assistance Program; and

(8) The Contractor warrants that no individual expected to be assigned to perform nursing services at the Facility who is a former employee of the State of Tennessee shall be referred within six (6) months of such individual's final separation from employment with the State of Tennessee. Further, no former employee shall be accepted who was dismissed for cause, or with or without cause during a probationary period, or resigned not in good standing from employment with the State of Tennessee.

c. The Contractor's staff and the individuals expected to be assigned to perform nursing services at the Facility shall not be deemed for any purpose to be employees of the State. With respect to the Contractor's staff and such individuals, the Contractor shall be responsible for payroll, benefits, workers compensation, withholding of all state and federal taxes, and depositing same at the appropriate times and places.

d. The State shall be the sole judge of the performance of the individuals expected to be assigned, and those assigned, to perform nursing services at the Facility. The Contractor agrees to remove and replace, at Contractor expense, any such individual judged by the State to be providing unsatisfactory services. The Contractor further agrees not to charge the State for any services performed which the State designates as being unacceptable.

e. The Contractor agrees, and shall ensure that the individuals assigned to perform nursing services at the Facility agree, to abide by all applicable federal, state, and local laws, statutes, rules, ordinances, policies, and procedures while providing services to service recipients at the Facility and to fulfill any applicable requirements regarding treatment, service recipient confidentiality, and accreditation set forth by The Joint Commission. Further, all nursing services provided to service recipients at the Facility shall be provided in a manner that meets or exceeds the following standards and laws:

(1) All applicable Medicare and Tennessee's Medicaid program, TennCare, standards and regulations;

(2) All standards required by The Joint Commission;

(3) Facility Policies and Procedures;

(4) Medical Staff Bylaws of Facility;

(5) Tennessee Nurse Practice Act;

(6) Title 33, Tennessee Code Annotated; and

(7) All Tennessee Department of Mental Health and Developmental Disabilities (TDMHDD) Rules as published in the official compilation of Tennessee Administrative Rules.

f. The Contractor shall ensure that each individual assigned to perform nursing services in the role of a Registered Nurse (RN) at the Facility is responsible for the delivery of continuous and comprehensive nursing services which are consistent with current standards of nursing practice and in accordance with current Facility policies and procedures as well as other policies and procedures specified in this Contract. The

Contractor shall also ensure that each such individual is responsible for, and has the necessary skills to carry out, the following:

(1) Implement the nursing process:

i. Assess service recipients and identify their physical and psychiatric problems/needs;

ii. Plan and implement nursing interventions appropriate to the service recipient(s) problem/needs; and

iii. Evaluate the effectiveness of nursing interventions;

(2) Administer medication:

i. Know the therapeutic dosage usage and effects of medication;

ii. Monitor and recognize the side effects of medications;

iii. Recognize and report adverse responses to medication;

iv. Recognize off-label use of prescribed medication;

v. Accurately documents medication administration, therapeutic responses, side effects and adverse reactions;

vi. Make appropriate notification to the physician, nurse practitioner, or physician assistant of any untoward service recipient response to medication; and

vii. Follow all Facility policies and procedures related to medications;

(3) Transcribe and implement Physician Orders:

i. Transcribe and implement Physicians' Orders according to Facility policies and procedures and accepted nursing practice standards; and

ii. Follow Facility policies and procedures related to Physicians' Order transcription and implementation, i.e., signatures, co-signatures, time frames and other documentation;

(4) Therapeutically interact with and communicate with service recipients:

i. Utilize therapeutic interventions and communication with service recipients;

ii. Treat service recipients with respect and dignity, and honor their rights and confidentiality according to federal and state law as well as Facility policies and procedures; and

iii. Participate in and document nursing interventions in both psychiatric and medical crises;

(5) Provide supervision to Licensed Practical Nurses (LPN) staff:

i. Provide clinical supervision to LPNs who are engaged in the performance of their assigned duties, including direct patient care; medication administration; carrying out the nursing plan of care or supporting the therapeutic environment; special patient observations such as one-to-one, fifteen (15)-minute checks; seclusion and restraint; according to Facility policies and procedures; and

ii. Provide administrative supervision to LPN staff regarding unit/service recipient assignments, breaks, and meeting service recipient needs;

(6) Provide supervision to unlicensed staff:

i. Provide clinical supervision to psychiatric technicians who are engaged in usual direct care activities, as well as in special patient observations such as one-to-one; fifteen (15)-minute checks; seclusion and restraint; according to Facility policies and procedures; and

ii. Provide administrative supervision to unlicensed staff regarding unit/patient assignments, breaks, escorts, and meeting service recipient needs; and

(7) Communicate and document pertinent clinical and administrative information:

i. Notify the nursing supervisor and the physician, nurse practitioner, or physician assistant appropriately of clinical and administrative crises and documents these efforts;

ii. Document the pertinent nursing interventions and service recipient responses in the service recipient record;

iii. Complete Incident Reports and Tennessee Occupational Safety and Health Administration (TOSHA) reports as defined by law and Facility policies and procedures; and

iv. Utilize basic computer skills to research or enter required service recipient information into the Facility's computer system.

g. The Contractor shall ensure that each individual assigned to perform nursing services in the role of a Licensed Practical Nurse (LPN) at the Facility is responsible for the delivery of continuous and comprehensive nursing services which are consistent with current standards of nursing practice and in accordance with current Facility policies and procedures as well as other policies and procedures specified in this Contract. The Contractor shall also ensure that each such individual is responsible for, and has the necessary skills to carry out, the following:

(1) Administer medication:

i. Know the therapeutic dosage usage and label use of medication;

ii. Monitor and recognize the side effects of medications;

iii. Recognize and report adverse responses to medication;

iv. Accurately document medication administration, therapeutic responses, side effects, and adverse reactions;

v. Make appropriate notification to the physician, nurse practitioner, or physician assistant of any untoward patient response to medication; and

vi. Follow all Facility policies and procedures related to medications;

(2) Transcribe and implement Physician Orders:

i. Transcribe and implement Physicians' Orders according to Facility policies and procedures and accepted nursing practice standards; and

ii. Follow Facility policies and procedures related to Physicians' Order transcription and implementation; i.e., signatures, co-signatures, time frames and other documentation;

(3) Therapeutically interact with and communicate with service recipients:

i. Utilize therapeutic interventions and communication with service recipients;

ii. Treat service recipients with respect and dignity, and honor their rights and confidentiality according to federal and state law as well as Facility policies and procedures; and

iii. Participate in and document nursing interventions in both psychiatric and medical crises;

(4) Provide clinical direction to psychiatric technicians regarding interpretation of or need for vital signs; signs and/or symptoms of adverse responses to medications that need to be immediately reported; and interpretation of special observations for service recipients;

(5) Provide administrative supervision to unlicensed staff regarding unit/service recipient assignments, breaks, escorts, and meeting service recipient needs; and

(6) Communicate and document pertinent clinical and administrative information:

i. Notify the nursing supervisor and the physician, nurse practitioner, or physician assistant appropriately of clinical and administrative crises and document these efforts;

ii. Document the pertinent nursing interventions and service recipient responses in the service recipient record;

iii. Complete Incident Reports and Tennessee Occupational Safety and Health Administration (TOSHA) reports as defined by Facility policies and procedures; and

iv. Utilize basic computer skills to research or enter required service recipient information into the Facility's computer system.

h. The Contractor shall ensure that each individual assigned to perform nursing services in the role of a Certified Nurse Aide (CNA) at the Facility is responsible for the delivery of continuous and comprehensive nursing services which are consistent with current standards of nursing practice and in accordance with current Facility policies and procedures as well as other policies and procedures specified in this Contract. The

Contractor shall also ensure that each such individual is responsible for, and has the necessary skills to carry out, the following:

(1) Assist the RN and LPN in service recipient assessment by:

i. Providing accurate readings of vital signs and observations and descriptions of service recipient behaviors;

ii. Recognizing and reporting adverse responses to medications and/or treatments as instructed by an RN or LPN; and

iii. Being aware of and monitoring service recipient adherence to prescribed diet, unit restrictions and privileges, physical limitations, etc.;

(2) Provide supervision and related documentation for service recipients requiring special observation such as one-to-one; close observation; fifteen (15)-minute checks; seclusion and restraint; according to Facility policies and procedures;

(3) Accept supervision and directions from RNs and LPNs:

i. Follow and complete all work assigned by licensed staff; and

ii. Proactively and independently seek service recipient information, assistance and/or supervision when unsure about how to provide service recipient care;

(4) Communicate and/or document pertinent clinical and administrative information:

i. Notify licensed staff of pertinent service recipient behavior, verbalizations, and symptoms, and provide documentation as required; and

ii. Complete Incident Reports and Tennessee Occupational Safety and Health Administration (TOSHA) reports as directed; and

(5) Therapeutically interact and communicate with service recipients:

i. Utilize therapeutic interventions and communication with service recipients; and

ii. Treat service recipients with respect and dignity, and honor their rights and confidentiality according to federal and state law as well as Facility policies and procedures.

i. Facility shall provide a one-day orientation to each individual assigned to perform nursing services at Facility under this Contract. **There will be no payment to Contractor for this one (1) day of training.**

j. All individuals assigned by the Contractor to perform nursing services at the Facility must successfully complete a skills checklist and competency assessment required and conducted by the Facility initially and following orientation before working at the Facility. Such skills checklist and competency assessment is required annually thereafter. Such individuals must demonstrate, by the time of the orientation class, the required knowledge and skills. Failure to meet the required standards may result in such individual being required to retake the orientation class, or in some cases, not being permitted to work at the Facility.

A.6. Process:

a. Individuals assigned to perform nursing services at the Facility may be scheduled to work on any of the shifts based on the staff needs as determined by the Facility. Such individuals must be available within two (2) hours of call to the Contractor. The Contractor must respond either affirming or passing its ability to provide the requested services in the required, two (2) hour, time frame. Failure to respond or a late response shall be deemed a denial. Detailed records of each contact shall be kept.

b. Individuals assigned to perform nursing services at the Facility who are scheduled in advance may be cancelled with a two (2) hour notice prior to the start of the shift without any charge to the Facility. Notice to the Contractor of less than two (2) hours shall result in a maximum of two (2) hours being billed to the State.

c. It shall be the Contractor's responsibility to provide replacement coverage if an individual assigned to perform nursing services at the Facility calls in or fails to report for duty.

d. Work hours are defined as actual work time of duty at the Facility. The State shall not pay overtime rates beyond the forty (40) hour work week of duty at the Facility No additional pay is made for weekends and holidays except those holidays noted in Section A.6.f.

e. Payment is authorized for seven and one-half (7.5) hours per shift, as shown below, with the expectation that the individual assigned to perform nursing services at the Facility will take a full meal break. The State does not pay for meal breaks. If such individual is late or leaves work early, the time cannot be made up by shortening or eliminating a meal break. In the event the Facility needs such individual to work through a meal break, only the Facility's Director of Nursing or designee shall authorize such work and initial the particular time sheet signifying such authorization. Any partial shift work shall be at the sole discretion of the State. In the event such individual works a double shift, two (2) charge slips must be completed; one showing the number of hours worked during the first shift and one showing the number of hours worked on the second shift less the amount of hours that are an overlap across the two shifts; each showing meal breaks as required. For example: If each shift is seven and one-half (7.5) hours and a person works a double shift, one charge slip will show seven and one-half (7.5) hours for the first shift, but only seven (7.0) hours for the second shift because there is an overlap of thirty (30) minutes across the two (2) shifts, for a total of fourteen and one-half (14.5) hours; and each charge slip shall show the required meal break. Only the Facility's Shift Supervisor is authorized to sign the charge slip(s) of an individual assigned to perform nursing services at the Facility. Final approval is provided by the Facility's Director of Nursing or designee.

Shift	Time	Meal Break	Total Paid
1	6:45 AM – 3:15 PM	1 hour	7.5 hours
2	2:45 PM – 11:15 PM	1 hour	7.5 hours
3	11:00 PM – 7:00 AM	30 minutes	7.5 hours

f. If the State has entered into more than one (1) Contract to meet the staffing needs for nursing services at Facility, the following is to be understood by the Contractor(s):

(1) All proposals received were scored and ranked. After meeting the qualifications evidence, the proposer with the lowest evaluation cost amount was designated as Primary. The proposers with the next two lowest evaluation cost amounts were designated as Secondary and Alternate. This Contract shall be the Alternate Contractor.

(2) When one or more individuals appropriately licensed to perform nursing services are needed at the Facility, the Primary Contractor shall be contacted. Should the

Primary Contractor be unable to supply the full-required coverage, the Secondary Contractor shall be contacted to supply any additional such individuals still required. Should the Secondary Contractor be unable to provide the total coverage necessary, then the Alternate Contractor shall be contacted to supply any additional such individuals still required. For example, should the State require ten (10) such individuals and the Primary Contractor is only able to provide eight (8) such individuals, the Secondary Contractor shall be contacted for the two (2) additional such individuals required. If the Secondary Contractor can provide only one (1) such individual, the Alternate Contractor shall be contacted for the remaining coverage.

B. CONTRACT PERIOD:

B.1. This Contract shall be effective for the period beginning December 1, 2010 and ending on June 30, 2012. The Contractor hereby acknowledges and affirms that the State shall have no obligation for services rendered by the Contractor which were not performed within this specified contract period.

B.2. Term Extension. The State reserves the right to extend this Contract for an additional period or periods of time representing increments of no more than one year and a total contract term of no more than five (5) years, provided that such an extension of the contract term is effected prior to the current, contract expiration date by means of a contract amendment. If a term extension necessitates additional funding beyond that which was included in the original Contract, an increase in the State's maximum liability will also be effected through contract amendment, and shall be based upon payment rates provided in the original Contract.

C. PAYMENT TERMS AND CONDITIONS:

C.1. Maximum Liability. In no event shall the maximum liability of the State under this Contract exceed Seven Hundred Twenty-Seven Thousand One Hundred Eight Dollars ($727,108.00). The payment rates in Section C.3 shall constitute the entire compensation due the Contractor for all service and Contractor obligations hereunder regardless of the difficulty, materials or equipment required. The payment rates include, but are not limited to, all applicable taxes, fees, overheads, and all other direct and indirect costs incurred or to be incurred by the Contractor.

The Contractor is not entitled to be paid the maximum liability for any period under the Contract or any extensions of the Contract for work not requested by the State. The maximum liability represents available funds for payment to the Contractor and does not guarantee payment of any such funds to the Contractor under this Contract unless the State requests work and the Contractor performs said work. In which case, the Contractor shall be paid in accordance with the payment rates detailed in Section C.3. The State is under no obligation to request work from the Contractor in any specific dollar amounts or to request any work at all from the Contractor during any period of this Contract.

C.2. Compensation Firm. The payment rates and the maximum liability of the State under this Contract are firm for the duration of the Contract and are not subject to escalation for any reason unless amended.

C.3. Payment Methodology. The Contractor shall be compensated based on the payment rates herein for units of service authorized by the State in a total amount not to exceed the Contract Maximum Liability established in Section C.1.

a. The Contractor's compensation shall be contingent upon the satisfactory completion of units, milestones, or increments of service defined in section A.

b. The Contractor shall be compensated for said units, milestones, or increments of service based upon the following payment rates:

Service Description	Amount (per compensable increments)	
	12/01/10–06/30/11	07/01/11–06/30/12
RN (Registered Nurse)	$32.00/hour	$33.00/hour
LPN (Licensed Practical Nurse)	$25.00/hour	$26.00/hour
CNA (Certified Nurse Aide)	$15.00/hour	$15.50/hour

c. The State shall not pay for any services performed which the State designates as being unacceptable.

d. In the event the contract term is extended in accordance with Section B.2, the payment rates for any period of the term extension will be those established for the payment period 07/01/11-06/30/12.

e. The Contractor shall not be compensated for travel time to the primary location of service provision.

f. The State shall reimburse Contractor a holiday rate, at the rate of one and one-half (1.5) times the regular hourly rate, only when an individual works at Facility on any of the following state and federal holidays: New Years Day; Memorial Day; Independence Day; Labor Day; Thanksgiving Day; and Christmas Day. Pay for the holiday officially begins the third (3rd) or Night Shift the day before the holiday and runs through the first (1st) or Day Shift and the second (2nd) or Evening Shift on the holiday.

C.4. Travel Compensation. The Contractor shall not be compensated or reimbursed for travel, meals, or lodging.

C.5. Invoice Requirements. The Contractor shall invoice the State only for completed increments of service and for the amount stipulated in Section C.3, above, and present said invoices no more often than monthly, with all necessary supporting documentation, to:

Tennessee Department of Mental Health and Developmental Disabilities
Middle Tennessee Mental Health Institute
ATTN: Financial Services-Accounts Payable
221 Stewarts Ferry Pike
Nashville, TN 37214

a. Each invoice shall clearly and accurately detail all of the following required information (calculations must be extended and totaled correctly).

(1) Invoice Number (assigned by the Contractor)
(2) Invoice Date
(3) Contract Number (assigned by the State)
(4) Customer Account Name: Mental Health and Developmental Disabilities//Middle Tennessee Mental Health Institute/Financial Services-Accounts Payable
(5) Customer Account Number (assigned by the Contractor to the above-referenced Customer)
(6) Contractor Name

(7) Contractor Federal Employer Identification, Social Security, or Tennessee Edison Registration ID Number Referenced in Preamble of this Contract
(8) Contractor Contact for Invoice Questions (name, phone, and/or fax)
(9) Contractor Remittance Address
(10) Description of Delivered Service
(11) Complete Itemization of Charges, which shall detail the following:

i. Service or Milestone Description (including name & title as applicable) of each service invoiced
ii. Number of Completed Units, Increments, Hours, or Days as applicable, of each service invoiced
iii. Applicable Payment Rate (as stipulated in Section C.3.) of each service invoiced
iv. Amount Due by Service
v. Total Amount Due for the invoice period

b. The Contractor understands and agrees that an invoice under this Contract shall:

(1) include only charges for service described in Contract Section A and in accordance with payment terms and conditions set forth in Contract Section C;
(2) only be submitted for completed service and shall not include any charge for future work;
(3) not include sales tax or shipping charges; and
(4) initiate the timeframe for payment (and any discounts) only when the State is in receipt of the invoice, and the invoice meets the minimum requirements of this Section C.5.

C.6. Payment of Invoice. A payment by the State shall not prejudice the State's right to object to or question any payment, invoice, or matter in relation thereto. A payment by the State shall not be construed as acceptance of any part of the work or service provided or as approval of any amount invoiced.

C.7. Invoice Reductions. The Contractor's invoice shall be subject to reduction for amounts included in any invoice or payment theretofore made which are determined by the State, on the basis of audits conducted in accordance with the terms of this Contract, not to constitute proper remuneration for compensable services.

C.8. Deductions. The State reserves the right to deduct from amounts, which are or shall become due and payable to the Contractor under this or any contract between the Contractor and the State of Tennessee any amounts, which are or shall become due and payable to the State of Tennessee by the Contractor.

C.9. Prerequisite Documentation. The Contractor shall not invoice the State under this Contract until the State has received the following documentation properly completed.

a. The Contractor shall complete, sign, and present to the State an "Authorization Agreement for Automatic Deposit (ACH Credits) Form" provided by the State. By doing so, the Contractor acknowledges and agrees that, once said form is received by the State, all payments to the Contractor, under this or any other contract the Contractor has with the State of Tennessee shall be made by Automated Clearing House (ACH).

b. The Contractor shall complete, sign, and present to the State a "Substitute W-9 Form" provided by the State. The taxpayer identification number detailed by said form must agree with the Contractor's Federal Employer Identification Number or Tennessee Edison Registration ID referenced in this Contract.

D. STANDARD TERMS AND CONDITIONS:

D.1. Required Approvals. The State is not bound by this Contract until it is signed by the contract parties and approved by appropriate officials in accordance with applicable Tennessee laws and regulations (depending upon the specifics of this contract, said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Personnel, and the Comptroller of the Treasury).

D.2. Modification and Amendment. This Contract may be modified only by a written amendment signed by all parties hereto and approved by both the officials who approved the base contract and, depending upon the specifics of the contract as amended, any additional officials required by Tennessee laws and regulations (said officials may include, but are not limited to, the Commissioner of Finance and Administration, the Commissioner of Personnel, and the Comptroller of the Treasury).

D.3. Termination for Convenience. The Contract may be terminated by either party by giving written notice to the other, at least Ninety (90) days before the effective date of termination. Should the State exercise this provision, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Should the Contractor exercise this provision, the State shall have no liability to the Contractor except for those units of service which can be effectively used by the State. The final decision as to what these units of service are, shall be determined by the State. In the event of disagreement, the Contractor may file a claim with the Tennessee Claims Commission to seek redress.

D.4. Termination for Cause. If the Contractor fails to properly perform its obligations under this Contract in a timely or proper manner, or if the Contractor violates any terms of this Contract, the State shall have the right to immediately terminate the Contract and withhold payments in excess of fair compensation for completed services. Notwithstanding the above, the Contractor shall not be relieved of liability to the State for damages sustained by virtue of any breach of this Contract by the Contractor.

D.5. Subcontracting. The Contractor shall not assign this Contract or enter into a subcontract for any of the services performed under this Contract without obtaining the prior written approval of the State. If such subcontracts are approved by the State, each shall contain, at a minimum, sections of this Contract below pertaining to "Conflicts of Interest," "Nondiscrimination," and "Records" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.

D.6. Conflicts of Interest. The Contractor warrants that no part of the total Contract Amount shall be paid directly or indirectly to an employee or official of the State of Tennessee as wages, compensation, or gifts in exchange for acting as an officer, agent, employee, subcontractor, or consultant to the Contractor in connection with any work contemplated or performed relative to this Contract.

The Contractor acknowledges, understands, and agrees that this Contract shall be null and void if the Contractor is, or within the past six months has been, an employee of the State of Tennessee or if the Contractor is an entity in which a controlling interest is held by an individual who is, or within the past six months has been, an employee of the State of Tennessee.

D.7. Nondiscrimination. The Contractor hereby agrees, warrants, and assures that no person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of this Contract or in the employment practices of the Contractor on the grounds of disability, age, race, color, religion, sex, national origin, or any other classification protected by Federal, Tennessee State constitutional, or statutory law. The Contractor shall, upon request, show proof of such nondiscrimination and shall post in conspicuous places, available to all employees and applicants, notices of nondiscrimination.

D.8. Prohibition of Illegal Immigrants. The requirements of Public Acts of 2006, Chapter Number 878, of the state of Tennessee, addressing the use of illegal immigrants in the performance of any Contract to supply goods or services to the state of Tennessee, shall be a material provision of this Contract, a breach of which shall be grounds for monetary and other penalties, up to and including termination of this Contract.

a. The Contractor hereby attests, certifies, warrants, and assures that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract. The Contractor shall reaffirm this attestation, in writing, by submitting to the State a completed and signed copy of the document at Attachment 1, hereto, semi-annually during the period of this Contract. Such attestations shall be maintained by the Contractor and made available to state officials upon request.

b. Prior to the use of any subcontractor in the performance of this Contract, and semi-annually thereafter, during the period of this Contract, the Contractor shall obtain and retain a current, written attestation that the subcontractor shall not knowingly utilize the services of an illegal immigrant to perform work relative to this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant to perform work relative to this Contract. Attestations obtained from such subcontractors shall be maintained by the Contractor and made available to state officials upon request.

c. The Contractor shall maintain records for all personnel used in the performance of this Contract. Said records shall be subject to review and random inspection at any reasonable time upon reasonable notice by the State.

d. The Contractor understands and agrees that failure to comply with this section will be subject to the sanctions of Public Chapter 878 of 2006 for acts or omissions occurring after its effective date. This law requires the Commissioner of Finance and Administration to prohibit a contractor from contracting with, or submitting an offer, proposal, or bid to contract with the State of Tennessee to supply goods or services for a period of one year after a contractor is discovered to have knowingly used the services of illegal immigrants during the performance of this Contract.

e. For purposes of this Contract, "illegal immigrant" shall be defined as any person who is not either a United States citizen, a Lawful Permanent Resident, or a person whose physical presence in the United States is authorized or allowed by the federal Department of Homeland Security and who, under federal immigration laws and/or regulations, is authorized to be employed in the U.S. or is otherwise authorized to provide services under the Contract.

D.9. Records. The Contractor shall maintain documentation for all charges under this Contract. The books, records, and documents of the Contractor, insofar as they relate to work performed or money received under this Contract, shall be maintained for a period of three (3) full years from the date of the final payment and shall be subject to audit at any reasonable time and upon reasonable notice by the State, the Comptroller of the Treasury, or their duly appointed representatives. The financial statements shall be prepared in accordance with generally accepted accounting principles.

D.10. Prevailing Wage Rates. All contracts for construction, erection, or demolition or to install goods or materials that involve the expenditure of any funds derived from the State require compliance with the prevailing wage laws as provided in *Tennessee Code Annotated*, Section 12-4-401 *et seq.*.

D.11. Monitoring. The Contractor's activities conducted and records maintained pursuant to this Contract shall be subject to monitoring and evaluation by the State, the Comptroller of the Treasury, or their duly appointed representatives.

D.12. Progress Reports. The Contractor shall submit brief, periodic, progress reports to the State as requested.

D.13. Strict Performance. Failure by any party to this Contract to insist in any one or more cases upon the strict performance of any of the terms, covenants, conditions, or provisions of this Contract shall not be construed as a waiver or relinquishment of any such term, covenant, condition, or provision. No term or condition of this Contract shall be held to be waived, modified, or deleted except by a written amendment signed by the parties hereto.

D.14. Independent Contractor. The parties hereto, in the performance of this Contract, shall not act as employees, partners, joint venturers, or associates of one another. It is expressly acknowledged by the parties hereto that such parties are independent contracting entities and that nothing in this Contract shall be construed to create an employer/employee relationship or to allow either to exercise control or direction over the manner or method by which the other transacts its business affairs or provides its usual services. The employees or agents of one party shall not be deemed or construed to be the employees or agents of the other party for any purpose whatsoever.

The Contractor, being an independent contractor and not an employee of the State, agrees to carry adequate public liability and other appropriate forms of insurance, including adequate public liability and other appropriate forms of insurance on the Contractor's employees, and to pay all applicable taxes incident to this Contract.

D.15. State Liability. The State shall have no liability except as specifically provided in this Contract.

D.16. Force Majeure. The obligations of the parties to this Contract are subject to prevention by causes beyond the parties' control that could not be avoided by the exercise of due care including, but not limited to, natural disasters, riots, wars, epidemics, or any other similar cause.

D.17. State and Federal Compliance. The Contractor shall comply with all applicable State and Federal laws and regulations in the performance of this Contract.

D.18. Governing Law. This Contract shall be governed by and construed in accordance with the laws of the State of Tennessee. The Contractor agrees that it will be subject to the exclusive jurisdiction of the courts of the State of Tennessee in actions that may arise under this Contract. The Contractor acknowledges and agrees that any rights or claims against the State of Tennessee or its employees hereunder, and any remedies arising therefrom, shall be subject to and limited to those rights and remedies, if any, available under *Tennessee Code Annotated*, Sections 9-8-101 through 9-8-407.

D.19. Completeness. This Contract is complete and contains the entire understanding between the parties relating to the subject matter contained herein, including all the terms and conditions of the parties' agreement. This Contract supersedes any and all prior understandings, representations, negotiations, and agreements between the parties relating hereto, whether written or oral.

D.20. Severability. If any terms and conditions of this Contract are held to be invalid or unenforceable as a matter of law, the other terms and conditions hereof shall not be affected thereby and shall remain in full force and effect. To this end, the terms and conditions of this Contract are declared severable.

D.21. Headings. Section headings of this Contract are for reference purposes only and shall not be construed as part of this Contract.

E. **SPECIAL TERMS AND CONDITIONS:**

E.1. Conflicting Terms and Conditions. Should any of these special terms and conditions conflict with any other terms and conditions of this Contract, these special terms and conditions shall control.

E.2. Communications and Contacts. All instructions, notices, consents, demands, or other communications required or contemplated by this Contract shall be in writing and shall be made by certified, first class mail, return receipt requested and postage prepaid, by overnight courier service with an asset tracking system, or by EMAIL or facsimile transmission with recipient confirmation. Any such communications, regardless of method of transmission, shall be addressed to the respective party at the appropriate mailing address, facsimile number, or EMAIL address as set forth below or to that of such other party or address, as may be hereafter specified by written notice.

The State:

Mark Stanley, Director of Financial Services
Tennessee Department of Mental Health and Developmental Disabilities
Middle Tennessee Mental Health Institute
221 Stewarts Ferry Pike
Nashville, TN 37214
EMail: Mark.Stanley@tn.gov
Phone # (615) 902-7443
Fax # (615) 902-7427

The Contractor:

La'Sherryla Hill, Branch Manager
Milestone Healthcare, Inc.
d/b/a Milestone Staffing Services
One Vantage Way, Suite E-130
Nashville, TN 37228
E-Mail: lhill@milestonestaffing.com
Telephone # 615-726-0101
FAX # 615-726-0211

All instructions, notices, consents, demands, or other communications shall be considered effectively given upon receipt or recipient confirmation as may be required.

E.3. Subject to Funds Availability. The Contract is subject to the appropriation and availability of State and/or Federal funds. In the event that the funds are not appropriated or are otherwise unavailable, the State reserves the right to terminate the Contract upon written notice to the Contractor. Said termination shall not be deemed a breach of Contract by the State. Upon receipt of the written notice, the Contractor shall cease all work associated with the Contract. Should such an event occur, the Contractor shall be entitled to compensation for all satisfactory and authorized services completed as of the termination date. Upon such termination, the Contractor shall have no right to recover from the State any actual, general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

E.4. Tennessee Consolidated Retirement System. The Contractor acknowledges and understands that, subject to statutory exceptions contained in *Tennessee Code Annotated*, Section 8-36-801, *et. seq.*, the law governing the Tennessee Consolidated Retirement System (TCRS), provides that if a retired member of TCRS, or of any superseded system administered by TCRS, or of any local retirement fund established pursuant to *Tennessee Code Annotated*, Title 8, Chapter 35, Part 3 accepts state employment, the member's retirement allowance is suspended during the period of the employment. Accordingly and notwithstanding any provision of this Contract to the contrary,

the Contractor agrees that if it is later determined that the true nature of the working relationship between the Contractor and the State under this Contract is that of "employee/employer" and not that of an independent contractor, the Contractor, if a retired member of TCRS, may be required to repay to TCRS the amount of retirement benefits the Contractor received from TCRS during the period of this Contract.

E.5. Insurance. The Contractor shall carry adequate liability and other appropriate forms of insurance.

a. The Contractor shall maintain, at minimum, the following insurance coverage:

(1) Workers' Compensation/ Employers' Liability (including all states coverage) with a limit not less than the relevant statutory amount or one million dollars ($1,000,000) per occurrence for employers' liability whichever is greater.

(2) Comprehensive Commercial General Liability (including personal injury & property damage, premises/operations, independent contractor, contractual liability and completed operations/products) with a bodily injury/property damage combined single limit not less than one million dollars ($1,000,000) per occurrence and two million dollars ($2,000,000) aggregate.

(3) Professional Malpractice Liability with a limit of not less than one million dollars ($1,000,000) per claim and two million dollars ($2,000,000) aggregate.

b. At any time State may require the Contractor to provide a valid Certificate of Insurance detailing Coverage Description; Insurance Company & Policy Number; Exceptions and Exclusions; Policy Effective Date; Policy Expiration Date; Limit(s) of Liability; and Name and Address of Insured. Failure to provide required evidence of insurance coverage shall be a material breach of this Contract.

E.6. Confidentiality of Records. Strict standards of confidentiality of records and information shall be maintained in accordance with applicable state and federal law. All material and information, regardless of form, medium or method of communication, provided to the Contractor by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information in accordance with the provisions of applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards. Such confidential information shall not be disclosed, and all necessary steps shall be taken by the Contractor to safeguard the confidentiality of such material or information in conformance with applicable state and federal law, state and federal rules and regulations, departmental policy, and ethical standards.

The Contractor's obligations under this section do not apply to information in the public domain; entering the public domain but not from a breach by the Contractor of this Contract; previously possessed by the Contractor without written obligations to the State to protect it; acquired by the Contractor without written restrictions against disclosure from a third party which, to the Contractor's knowledge, is free to disclose the information; independently developed by the Contractor without the use of the State's information; or, disclosed by the State to others without restrictions against disclosure. Nothing in this paragraph shall permit Contractor to disclose any information that is confidential under federal or state law or regulations, regardless of whether it has been disclosed or made available to the Contractor due to intentional or negligent actions or inactions of agents of the State or third parties.

It is expressly understood and agreed the obligations set forth in this section shall survive the termination of this Contract.

E.7. HIPAA Compliance. The State and Contractor shall comply with obligations under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and its accompanying regulations.

a. Contractor warrants to the State that it is familiar with the requirements of HIPAA and its accompanying regulations, and will comply with all applicable HIPAA requirements in the course of this Contract.

b. Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by HIPAA and its regulations, in the course of performance of the Contract so that both parties will be in compliance with HIPAA.

c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by HIPAA and that are reasonably necessary to keep the State and Contractor in compliance with HIPAA. This provision shall not apply if information received by the State under this Contract is NOT "protected health information" as defined by HIPAA, or if HIPAA permits the State to receive such information without entering into a business associate agreement or signing another such document.

E.8. Rule 2 Compliance. The State and the Contractor shall comply with obligations under Rule 2 of the Confidentiality of Alcohol and Drug Abuse Patient Records, and its accompanying regulations as codified at 42 CFR § 2.1 et seq.

a. The Contractor warrants to the State that it is familiar with the requirements of Rule 2 of the Confidentiality of Alcohol and Drug Abuse Patient Records, and its accompanying regulations, and will comply with all applicable requirements in the course of this Contract.

b. The Contractor warrants that it will cooperate with the State, including cooperation and coordination with State privacy officials and other compliance officers required by Rule 2 of the Confidentiality of Alcohol and Drug Abuse Patient Records, and its regulations, in the course of performance of the Contract so that both parties will be in compliance with Rule 2 of the Confidentiality of Alcohol and Drug Abuse Patient Records.

c. The State and the Contractor will sign documents, including but not limited to business associate agreements, as required by Rule 2 of the Confidentiality of Alcohol and Drug Abuse Patient Records, and that are reasonably necessary to keep the State and the Contractor in compliance with Rule 2 of the Confidentiality of Alcohol and Drug Abuse Patient Records. This provision shall not apply if information received by the State under this Contract is NOT "protected health information" as defined by Rule 2 of the Confidentiality of Alcohol and Drug Abuse Patient Records, or if Rule 2 of the Confidentiality of Alcohol and Drug Abuse Patient Records permits the State to receive such information without entering into a business associate agreement or signing another such document.

E.9. Printing Authorization. The Contractor agrees that no publication coming within the jurisdiction of *Tennessee Code Annotated*, Section 12-7-101, *et. seq.*, shall be printed pursuant to this contract unless a printing authorization number has been obtained and affixed as required by *Tennessee Code Annotated*, Section 12-7-103 (d).

E.10. State Furnished Property. The Contractor shall be responsible for the correct use, maintenance, and protection of all articles of nonexpendable, tangible, personal property furnished by the State for the Contractor's temporary use under this Contract. Upon termination of this Contract, all property furnished shall be returned to the State in good order and condition as when received, reasonable use and wear thereof excepted. Should the property be destroyed, lost, or stolen, the Contractor shall be responsible to the State for the residual value of the property at the time of loss.

E.11. Incorporation of Additional Documents. Each of the following documents is included as a part of this Contract by reference. In the event of a discrepancy or ambiguity regarding the Contractor's

duties, responsibilities, and performance under this Contract, these items shall govern in order of precedence below.

a. this Contract document with any attachments or exhibits (excluding the items listed at subsections b. through e., below);

b. any clarifications of or addenda to the Contractor's proposal seeking this Contract;

c. the State solicitation, as may be amended, requesting proposals in competition for this Contract;

d. any technical specifications provided to proposers during the procurement process to award this Contract;

e. the Contractor's proposal seeking this Contract.

E.12. Prohibited Advertising. The Contractor shall not refer to this Contract or the Contractor's relationship with the State hereunder in commercial advertising in such a manner as to state or imply that the Contractor or the Contractor's services are endorsed. It is expressly understood and agreed that the obligations set forth in this section shall survive the termination of this Contract in perpetuity.

E.13. Public Accountability. If the Contractor is subject to *Tennessee Code Annotated*, Title 8, Chapter 4, Part 4 or if this Contract involves the provision of services to citizens by the Contractor on behalf of the State, the Contractor agrees to establish a system through which recipients of services may present grievances about the operation of the service program, and the Contractor shall display in a prominent place, located near the passageway through which the public enters in order to receive services pursuant to this Contract, a sign at least twelve inches (12") in height and eighteen inches (18") in width stating:

NOTICE: THIS AGENCY IS A RECIPIENT OF TAXPAYER FUNDING. IF YOU OBSERVE AN AGENCY DIRECTOR OR EMPLOYEE ENGAGING IN ANY ACTIVITY WHICH YOU CONSIDER TO BE ILLEGAL, IMPROPER, OR WASTEFUL, PLEASE CALL THE STATE COMPTROLLER'S TOLL-FREE HOTLINE: 1-800-232-5454

E.14. Environmental Tobacco Smoke. Pursuant to the provisions of the federal "Pro-Children Act of 1994" and the Tennessee "Children's Act for Clean Indoor Air of 1995," the Contractor shall prohibit smoking of tobacco products within any indoor premises in which services are provided pursuant to this Contract to individuals under the age of eighteen (18) years. The Contractor shall post "no smoking" signs in appropriate, permanent sites within such premises. This prohibition shall be applicable during all hours, not just the hours in which children are present. Violators of the prohibition may be subject to civil penalties and fines. This prohibition shall apply to and be made part of any subcontract related to this Contract.

E.15. Lobbying. The Contractor certifies, to the best of its knowledge and belief, that:

a. No federally appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, 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.

b. 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 of any agency, a

Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this contract, grant, loan, or cooperative agreement, the Contractor shall complete and submit Standard Form-LLL, ``Disclosure Form to Report Lobbying," in accordance with its instructions.

c. The Contractor shall require that the language of this certification 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 subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into and is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, *U.S. Code*.

E.16. Debarment and Suspension. The Contractor certifies, to the best of its knowledge and belief, that it, its current and future principals, its current and future subcontractors and their principals:

a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal or state department or agency;

b. have not within a three (3) year period preceding this Contract been convicted of, or had a civil judgment rendered against them from commission of fraud, or a criminal offence in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or grant under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification, or destruction of records, making false statements, or receiving stolen property;

c. are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state, or local) with commission of any of the offenses detailed in section b. of this certification; and

d. have not within a three (3) year period preceding this Contract had one or more public transactions (federal, state, or local) terminated for cause or default.

The Contractor shall provide immediate written notice to the State if at any time it learns that there was an earlier failure to disclose information or that due to changed circumstances, its principals or the principals of its subcontractors are excluded or disqualified.

E.17. Hold Harmless. The Contractor agrees to indemnify and hold harmless the State of Tennessee as well as its officers, agents, and employees from and against any and all claims, liabilities, losses, and causes of action which may arise, accrue, or result to any person, firm, corporation, or other entity which may be injured or damaged as a result of acts, omissions, or negligence on the part of the Contractor, its employees, or any person acting for or on its or their behalf relating to this Contract. The Contractor further agrees it shall be liable for the reasonable cost of attorneys for the State in the event such service is necessitated to enforce the terms of this Contract or otherwise enforce the obligations of the Contractor to the State.

In the event of any such suit or claim, the Contractor shall give the State immediate notice thereof and shall provide all assistance required by the State in the State's defense. The State shall give the Contractor written notice of any such claim or suit, and the Contractor shall have full right and obligation to conduct the Contractor's own defense thereof. Nothing contained herein shall be deemed to accord to the Contractor, through its attorney(s), the right to represent the State of Tennessee in any legal matter, such rights being governed by *Tennessee Code Annotated*, Section 8-6-106.

E.18. Unencumbered Personnel. All persons assigned by the Contractor to perform services for the State under this Contract, whether they are employees, agents, subcontractors, or principals of the Contractor, shall not be subject to any employment contract or restrictive covenant provisions which would preclude those persons from performing the same or similar services for the State after the termination of this Contract, either as a State employee, an independent contractor, or an employee, agent, subcontractor or principal of another contractor with the State. If the Contractor provides the State with the services of any person subject to a restrictive covenant or contractual provision in violation of this provision, any such restrictive covenant or contractual provision will be void and unenforceable, and the Contractor will pay the State and any person involved all of its expenses, including attorneys fees, caused by attempts to enforce such provisions.

E.19. Drug-Free Workplace. The Contractor agrees that it shall provide a drug-free workplace pursuant to the Drug-Free Workplace Act of 1988, Title 41 of the United States Code (41 USC) §§ 701 et seq., and the regulations in Title 45 of the Code of Federal Regulations (45 CFR) Part 82.

E.20. Professional Practice. The Contractor shall assure that there is a code of conduct in place and applicable to all employees that covers, at minimum, business practices, clinical practices, and service recipient/staff interaction/fraternization. Further, Contractor's personnel shall conduct their practice in conformity with all applicable statutes, rules and regulations, and recognized ethical standards of their profession. Procedures for reporting violations of the ethical standards shall be developed and communicated to staff upon hire and annually thereafter, which shall include a non-reprisal approach for persons reporting suspected violations, as well as a description of possible sanctions for violating the standards. Failure to implement a code of conduct in accordance with this section and to adequately address suspected violations of the code of conduct may be cause for termination of this Contractor Contract.

E.21. Additional Subcontracting Requirements. If subcontracts are approved by the State, they shall contain, in addition to those sections identified in D.5., sections on" Confidentiality of Records", "HIPAA Compliance," and "Rule 2 Compliance" (as identified by the section headings). Notwithstanding any use of approved subcontractors, the Contractor shall be the prime contractor and shall be responsible for all work performed.

IN WITNESS WHEREOF,

MILESTONE STAFFING SERVICES, INC.:

LaSherrila Hill 11-30-10

CONTRACTOR SIGNATURE **DATE**

LaSherrila Hill

PRINTED NAME AND TITLE OF CONTRACTOR SIGNATORY (above)

DEPARTMENT OF MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES:

Virginia T Betts 12-2-10

VIRGINIA TROTTER BETTS, MSN, JD, RN, FAAN, COMMISSIONER **DATE**

ATTACHMENT 1

ATTESTATION RE PERSONNEL USED IN CONTRACT PERFORMANCE

SUBJECT CONTRACT NUMBER:	
CONTRACTOR LEGAL ENTITY NAME:	MileStone Healthcare, Inc., dba Milestone Staffing Services
FEDERAL EMPLOYER IDENTIFICATION NUMBER: (or Social Security Number)	75-2592398

The Contractor, identified above, does hereby attest, certify, warrant, and assure that the Contractor shall not knowingly utilize the services of an illegal immigrant in the performance of this Contract and shall not knowingly utilize the services of any subcontractor who will utilize the services of an illegal immigrant in the performance of this Contract.

LaSherrylla Hill

CONTRACTOR SIGNATURE

NOTICE: This attestation MUST be signed by an individual empowered to contractually bind the Contractor. If said individual is not the chief executive or president, this document shall attach evidence showing the individual's authority to contractually bind the Contractor.

LaSherrylla Hill Branch Mgr.

PRINTED NAME AND TITLE OF SIGNATORY

4-30-10

DATE OF ATTESTATION