



July 30, 2019

Mrs. Krista Lee Carsner, Executive Director
Fiscal Review Committee
8th Floor, Rachel Jackson Bldg.
Nashville, TN 37243

RE: Myers and Stauffer LC – Amendment #3
Principle Valuation, LLC – Amendment #3
QSource – Amendment #2

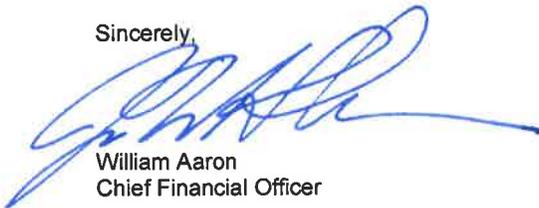
Dear Mrs. Lee Carsner:

The Department of Finance and Administration, Division of TennCare, is submitting for consideration by the Fiscal Review Committee the following three (3) amendments and all required documentation and approvals.

- 1) **Myers and Stauffer LC:** This competitively procured Contractor is tasked with the development of reimbursement rate structures for Tennessee nursing facilities. TennCare is seeking approval to exercise the final renewal option, extending the contract to the maximum of five (5) years as well as increasing the Maximum Liability to accommodate services performed during this extended period of time.
- 2) **Principle Valuation, LLC:** This competitively procured Contractor is tasked with real estate appraisals for Medicaid-certified nursing facilities in Tennessee. TennCare is seeking approval to exercise the last remaining renewal option extending the contract to the maximum of five (5) years. No Maximum Liability increase is being requested at this time.
- 3) **QSource:** This competitively procured Contractor is tasked with providing external quality reviews of TennCare's MCO, Dental Benefit Management, and CoverKids Contract. TennCare is seeking approval to exercise the final renewal option, extending the contract to the maximum of five (5) years as well as increasing the Maximum Liability to accommodate services performed during this extended period of time.

TennCare respectfully submits the above referenced contract amendments for consideration and approval by the Fiscal Review Committee. We look forward to promptly providing any additional information as may be requested by the Committee.

Sincerely,



William Aaron
Chief Financial Officer

cc: Gabe Roberts, Deputy Commissioner

Amendment Request

This request form is not required for amendments to grant contracts. Route a completed request, as one file in PDF format, via e-mail attachment sent to: Agsprs.Agsprs@tn.gov

APPROVED

CHIEF PROCUREMENT OFFICER

DATE

Agency request tracking #	31865-00408	
1. Procuring Agency	Department of Finance and Administration, Division of TennCare	
2. Contractor	Principle Valuation, LLC	
3. Edison contract ID #	0000196277	
4. Proposed amendment #	3	
5. Contract's Original Effective Date	November 1, 2015	
6. Current end date	October 31, 2019	
7. Proposed end date	October 31, 2020	
8. Current Maximum Liability or Estimated Liability	\$ 361,300.00	
9. Proposed Maximum Liability or Estimated Liability	\$ 361,300.00	
10. Strategic Technology Solutions Pre-Approval Endorsement Request <i>– information technology service (N/A to THDA)</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
11. eHealth Pre-Approval Endorsement Request <i>– health-related professional, pharmaceutical, laboratory, or imaging</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
12. Human Resources Pre-Approval Endorsement Request <i>– state employee training service</i>	<input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Attached	
13. Explain why the proposed amendment is needed	The purpose of this Amendment is to exercise the last remaining Renewal Option extending the contract to sixty (60) months. No funds will be added.	
14. If the amendment involves a change in Scope, describe efforts to identify reasonable, competitive, procurement alternatives to amending the contract.	N/A	

Agency request tracking #	31865-00408
Signature of Agency head or authorized designee, title of signatory, and date (the authorized designee may sign his or her own name if indicated on the Signature Certification and Authorization document)	



CONTRACT AMENDMENT COVER SHEET

Agency Tracking # 31865-00408	Edison ID NV-48123	Contract #	Amendment # 03		
Contractor Legal Entity Name Principle Valuation, LLC			Edison Vendor ID 0000196277		
Amendment Purpose & Effect(s) Extends Term					
Amendment Changes Contract End Date: <input checked="" type="checkbox"/> YES <input type="checkbox"/> NO		End Date: October 31, 2020			
TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A):			\$ 0		
Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2016	\$142,550.00	\$142,550.00			\$285,100.00
2017	\$0.00	\$0.00			\$0.00
2018	\$10,000.00	\$10,000.00			\$20,000.00
2019	\$20,950.00	\$20,950.00			\$41,900.00
2020	\$7,150.00	\$7,150.00			\$14,300.00
TOTAL:	\$180,650.00	\$180,650.00			\$361,300.00
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.				<i>CPO USE</i>	
Speed Chart (optional) TN0000000075		Account Code (optional) 70803000			

**AMENDMENT #3 TO NV-48123
BETWEEN THE STATE OF TENNESSEE,
DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF TENNCARE
PRINCIPLE VALUATION, LLC**

This Amendment is made and entered by and between the State of Tennessee, Department of Finance and Administration, Division of TennCare, hereinafter referred to as the "State" and Principle Valuation, LLC, hereinafter referred to as the "Contractor." For good and valuable consideration, the sufficiency of which is hereby acknowledged, 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. This Contract shall be effective for the period beginning November 1, 2015 ("Effective Date") and ending on October 31, 2020 ("Term"). The State shall have no obligation for goods delivered or services provided by the Contractor prior to the Effective Date.

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 once all required approvals are obtained. All other terms and conditions of this Contract not expressly amended herein shall remain in full force and effect.

IN WITNESS WHEREOF,

PRINCIPLE VALUATION, LLC:

SIGNATURE

DATE

PRINTED NAME AND TITLE OF SIGNATORY (above)

**DEPARTMENT OF FINANCE AND ADMINISTRATION
DIVISION OF TENNCARE:**

STUART C. MCWHORTER, COMMISSIONER

DATE

Supplemental Documentation Required for
Fiscal Review Committee

*Contact Name:	Matt Brimm	*Contact Phone:	615-687-5811		
*Presenter's name(s):	William Aaron				
Edison Contract Number: <i>(if applicable)</i>	#48123	RFS Number: <i>(if applicable)</i>	31865-00408		
*Original or Proposed Contract Begin Date:	November 1, 2015	*Current or Proposed End Date:	October 31, 2019		
Current Request Amendment Number: <i>(if applicable)</i>	2				
Proposed Amendment Effective Date: <i>(if applicable)</i>	October 31, 2019				
*Department Submitting:	Department of Finance and Administration				
*Division:	Division TennCare				
*Date Submitted:	July 30, 2019				
*Submitted Within Sixty (60) days:	Yes				
<i>If not, explain:</i>	N/A				
*Contract Vendor Name:	Principle Valuation, LLC				
*Current or Proposed Maximum Liability:	\$361,300.00				
*Estimated Total Spend for Commodities:	N/A				
*Current or Proposed Contract Allocation by Fiscal Year: (as Shown on Most Current Fully Executed Contract Summary Sheet)					
FY: 2016	FY: 2017	FY: 2018	FY: 2019	FY: 2020	FY
\$ 285,100.00	\$ 0.00	\$ 20,000.00	\$ 41,900.00	\$14,300.00	\$
*Current Total Expenditures by Fiscal Year of Contract: (attach backup documentation from Edison) Attached					
FY: 2016	FY: 2017	FY: 2018	FY: 2019	FY	FY
\$ 285,100.00	\$ 0.00	\$ 1,800.00	\$ 3,600.00 (Expenditures through June 2019)	\$	\$
IF Contract Allocation has been greater than Contract Expenditures, please give the reasons and explain where surplus funds were spent:		N/A			
IF surplus funds have been carried forward, please give the reasons and provide the authority for the carry forward provision:		Any unused funds that were not used are tied to FY period and roll forward for use throughout the entire term of the contract.			
IF Contract Expenditures exceeded Contract Allocation, please give the reasons and explain how funding		N/A			

Supplemental Documentation Required for
Fiscal Review Committee

was acquired to pay the overage:			
*Contract Funding Source/Amount:			
State:	\$180,650.00	Federal:	\$180,650.00
<i>Interdepartmental:</i>		<i>Other:</i>	
If “ <i>other</i> ” please define:		N/A	
If “ <i>interdepartmental</i> ” please define:		N/A	
Dates of All Previous Amendments or Revisions: <i>(if applicable)</i>		Brief Description of Actions in Previous Amendments or Revisions: <i>(if applicable)</i>	
Amendment #1 June 30, 2018		Enhanced contract language to adjust from cost-based per diem to an integrated price-based model and provided funding to support integrated price-based model.	
Amendment #2 July 30, 2019		Utilizing final Renewal Option	
Method of Original Award: <i>(if applicable)</i>		Competitive Negotiation	
*What were the projected costs of the service for the entire term of the contract prior to contract award? How was this cost determined?		\$270,000 to cover initial 300 Medicaid certified facilities and \$27,000 to cover any new Medicaid facilities that are certified in during the contract term date that ends October 31, 2018 Cost Proposal	
*List number of other potential vendors who could provide this good or service; efforts to identify other competitive procurement alternatives; and the reason(s) a sole-source contract is in the best interest of the State.		This contract was competitively procured.	
Provide information on the circumstances and status of any disciplinary action taken or pending against the vendor during the past 5 years with state agencies/ departments, professional organizations, or through any legal action.		No disciplinary actions identified.	
In addition, please provide any information regarding the due diligence that the Department has taken to ensure that the vendor is not or has not been involved in any circumstances related to illegal activity, including but not limited to fraud.		TennCare Googled this contractor and did not identify any illegal activity. Language in the contract requires immediate notification to the state regarding illegal activity or fraud if discovered during the term of this Contract.	



CONTRACT AMENDMENT COVER SHEET

Agency Tracking # 31865-00408	Edison ID NV - 48123	Contract #	Amendment # 02
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Contractor Legal Entity Name Principle Valuation, LLC	Edison Vendor ID 0000196277
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Amendment Purpose & Effect(s)
Extends Term and Increases Maximum Liability

Amendment Changes Contract End Date: YES NO **End Date:** October 31, 2019

TOTAL Contract Amount INCREASE or DECREASE per this Amendment (zero if N/A): **\$ 24,300.00**

Funding —					
FY	State	Federal	Interdepartmental	Other	TOTAL Contract Amount
2016	\$142,550.00	\$142,550.00			\$285,100.00
2017	\$0.00	\$0.00			\$0.00
2018	\$10,000.00	\$10,000.00			\$20,000.00
2019	\$20,950.00	\$20,950.00			\$41,900.00
2020	\$7,150.00	\$7,150.00			\$14,300.00
TOTAL:	\$180,650.00	\$180,650.00			\$361,300.00

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

<p>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.</p> <div style="text-align: center; margin-top: 20px;"> </div>	<p><i>CPO USE</i></p>
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Speed Chart (optional) TN00000075	Account Code (optional) 70803000
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Principle Valuation, LLC
Edison Contract ID: 48123 / NV-48123
Vendor #: 0000192380 / 0000196277

CONTRACT EXPENDITURES BY FISCAL YEAR
(Payment Detail Attached)

FY 2016	\$285,100.00	
FY 2017	\$0.00	
FY 2018	\$1,800.00	
FY 2019	\$3,600.00	(Expenditures through June 2019)
	<hr/>	
TOTAL	\$290,500.00	
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*No Liquidated Damages have been assessed at this time.

Principle Valuation, LLC

Edison Contract ID: 48123 / NV-48123

Vendor ID: 0000192380 / 0000196277

FY 2016 Payments

Fiscal Year	Unit	Voucher ID	Invoice	Payment Date	Payment Amt
2016	31865	01253863	4-1132818	1/14/2016	\$4,500.00
2016	31865	01260612	4-1132818.2	1/28/2016	\$9,900.00
2016	31865	01307337	4-1132818.4	4/15/2016	\$12,600.00
2016	31865	01307338	4-1132818.5	4/15/2016	\$37,800.00
2016	31865	01307332	4-1132818.3	4/15/2016	\$63,000.00
2016	31865	01307435	4-1132930	5/6/2016	\$38,700.00
2016	31865	01327260	4-1132936	5/24/2016	\$23,400.00
2016	31865	01327261	4-1132934	5/24/2016	\$45,000.00
2016	31865	01335141	4-1132985	6/13/2016	\$7,200.00
2016	31865	01354732	4-1133002	7/11/2016	\$25,000.00
2016	31865	01357617	4-1132958	7/14/2016	\$18,000.00

Total FY 2016:

\$285,100.00

FY 2017 Payments

Fiscal Year	Unit	Voucher ID	Invoice	Payment Date	Payment Amt
2017	31865				

Total FY 2017:

\$0.00

FY 2018 Payments

Fiscal Year	Unit	Voucher ID	Invoice	Payment Date	Payment Amt
2018	31865	01699654	4-1133636	4/11/2018	\$1,800.00

Total FY 2018:

\$1,800.00

FY 2019 Payments

Fiscal Year	Unit	Voucher ID	Invoice	Payment Date	Payment Amt
2019	31865	01799637	4-1133753	11/8/2018	\$3,600.00

Total FY 2019:

\$3,600.00