

CONTRACT AWARD INFORMATION

Clinical Reference Laboratory Services

Contract # 720C-04093-07D00

The primary intent of this contract is to provide clinical reference laboratory services to DMHMRSAS and other public bodies. State agencies should place purchase orders against this contract through eVA.

CONTRACT: Clinical Reference Laboratory Services

PERIOD OF PERFORMANCE: September 1, 2007 through August 31, 2009

CONTRACT RENEWAL: Contract may be renewed for up to four (4) additional periods of two (2) years duration upon mutual agreement between all parties and subject to availability of funding.

CONTRACTOR: Laboratory Corporation of America Holdings (LabCorp)
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PAYMENT TERMS: Net 30 days.

CONTRACTOR REQUIREMENTS: The following is an excerpt of the Scope of Work that the Contractor is required to perform under this contract.

1. Transportation - The Contractor shall:

- 1.1 Provide daily courier service (with weekend and holiday pick-up as needed) to all Purchasing Agency locations, if required by a Purchasing Agency, for specimen pick-up. Contractor shall coordinate pick-up days and times with Purchasing Agencies. Attachment B is a list of current pick-up locations indicating the number of pickups each day for each Purchasing Agency.
- 1.2 Be responsive to courier requests from Purchasing Agencies and shall be available as mutually agreed between the Contractor and the Purchasing Agency, consistent with the terms of the contract.

- 1.3 Vendor shall provide or shall coordinate the provision of STAT testing services. Vendor may assess separate charges for STAT testing services outside of the fee associated with the testing as set forth in Contractor's fee proposals. Any STAT testing fee shall be set forth in the Contractor's fee proposal.
- 1.4 Transport specimens in a safe, legal, and industry acceptable controlled environment that will ensure specimens reach the testing laboratory in a usable condition. Contractor shall provide written reports within 48 hours of any specimen that has been compromised, lost, damaged, and/or contaminated other specimens while in the possession of the Contractor and provide a no charge repeat. This report shall include a description of efforts the Contractor will make to prevent a reoccurrence of the problem. Repetitive problems involving lost, damaged or compromised specimens while in the possession of the Contractor shall be considered default of the contract.
- 1.5 If requested by the Purchasing Agency, provide a secured/controlled holding box, at no additional charge, for specimens waiting to be picked up.

2. Test Results. The Contractor shall:

- 2.1 Prepare and deliver chart ready test results in accordance with CAP requirements. Reports shall document normal ranges for test results to be used by the Purchasing Agency for comparison.
- 2.2 Distribute turn-around time schedule for all tests performed by the Contractor, within thirty (30) days of request, to any Purchasing Agency requesting such information.
- 2.3 Distribute panic value threshold information, within thirty (30) days of request, to any Purchasing Agency requesting such information.
- 2.4 In every case, notify the Purchasing Agency by telephone upon receiving a test result that has exceeded the panic value threshold for that particular test.
- 2.5 Results of stat testing shall be provided to ordering Purchasing Agency within three (3) hours of the receipt of the specimen in the testing facility.
- 2.6 Identify primary and back-up contact persons that are available to Purchasing Agencies for assistance.

3. Panels and Profiles. The Contractor shall:

- 3.1 Customize panels and profiles as requested by Purchasing Agencies, provided such does not violate Federal or State Regulation.
- 3.2 Ensure tests ordered by a Purchasing Agency under a single order number do not exceed the fee associated with the individual components. If a Purchasing Agency requests that a panel/profile be created, the fee for the panel/profile shall not exceed the aggregate of all

individual tests of the established panel/profile. There shall be no additional cost for developing a panel or profile.

- 3.3 The Contractor shall provide DMHMRSAS, on a quarterly basis, a list of all new panels/profiles that have been customized for Purchasing Agencies during the quarter.

4. Repeat Tests.

- 4.1 At the request of the Purchasing Agency, the Contractor shall provide follow-up testing for test results provided by the Contractor to the Purchasing Agency that are not consistent with the Purchasing Agency's patients' clinical condition. There will be no additional charge by the Contractor for such repeat testing, provided the Contractor's specimen volume, the integrity of the specimen allows further testing, and/or the Contractor's specimen retention time has not been exceeded.

5. Phlebotomy Services.

- 5.1 The Contractor shall provide scheduled phlebotomy services to the Purchasing Agencies. Charges for scheduled phlebotomy services shall be included as a separate line item on the Contractor's price list.
- 5.2 A Purchasing Agency currently receiving scheduled phlebotomy services, may instruct the Contracting Agency and Contractor to no longer provide scheduled phlebotomy services. The Contracting Agency and Contractor shall mutually agree upon either the revision of scheduled phlebotomy services to a Purchasing Agency, or the addition of a Purchasing Agency for scheduled phlebotomy services.
- 5.3 Purchasing Agencies, not receiving scheduled phlebotomy services may request phlebotomy services with seventy-two (72) or more hours advance notice to Contractor. Charges for seventy-two (72) or more hours advance notice phlebotomy services shall be included as a separate line item on the Contractor's price list.
- 5.4 Purchasing Agencies not receiving scheduled phlebotomy services may request phlebotomy services with less than seventy-two (72) but more than two (2) hours advance notice to Contractor. Charges for phlebotomy services with less than seventy-two (72) but more than two (2) hours notice shall be included as a separate line item on the Contractor's price list.
 - 5.4.1 As an alternative, phlebotomy services may be provided for Purchasing Agency patients at the Contractor's specimen collection facilities. The Contractor shall provide a list of its specimen collection facilities to include current days/hours of operations. The charges for these specimen collection services shall be included as a separate line item on the Contractor's price list.
 - 5.4.2 Contractor shall develop procedures that Purchasing Agencies must follow when requesting the phlebotomy services described in 5.3 and 5.4.

- 5.4.3 Phlebotomists employed by the Contractor shall meet applicable certification and proficiency standards as required by applicable laws and regulations.
- 5.4.4 Contractor shall develop or have an active phlebotomy training/continuing education program for Contractor's phlebotomists. Within thirty (30) days of a request by a Purchasing Agency, the Contractor's phlebotomy plan/program design and confirmation that training has occurred for a specific phlebotomist, shall be available to the Purchasing Agency receiving phlebotomy services.
- 5.4.5 All medical waste generated by the Contractor's phlebotomist shall be removed by the Contractor and disposed of in accordance with Federal and State regulations.
- 5.4.6 To the extent consistent with Contractor's policies and procedures and applicable law and regulation, Contractor's phlebotomist shall comply with the Purchasing Agency's policy while providing services at the Purchasing Agency's site.

6. Cytology Services.

- 6.1 All Cytology reports will be have a seven day turn around time between the contractor and the purchasing agency.
- 6.2 Cytology reports will be provided in the most current Bethesda reporting system.
- 6.3 Abnormal cytology reports will be reported to the purchasing agency within 72 hours of screening.
- 6.4 All Cytology specimens marked as urgent will be reported to the purchasing agency within 48 hours of receipt of the specimen in the testing facility.
- 6.5 All biopsy specimens marked as urgent will be reported to the purchasing agency within 72 hours of receipt of the specimen in the testing facility.
- 6.6 If the contracting agency Pathologist deems additional laboratory testing is necessary on any routine biopsy specimen submitted for pathology review; the contracting laboratory will contact the purchasing agency clinician of record noted on the biopsy request form prior to performing any additional testing.

7. Billing.

- 7.1 If requested by a Purchasing Agency, the Contractor shall invoice third party payers in cases where clients are eligible for coverage under Medicare/Medicaid and/or commercial insurance.

- 7.2 The Purchasing Agency shall provide billing information to the Contractor for third party billing purposes. Information will generally be provided concurrent with specimen pick-up or, in some cases, after specimen testing is performed.
- 7.3 The Contractor shall accept assignment of Medicare and Medicaid payments as payment in full.
- 7.4 The Contractor shall adhere to applicable Medicare and Medicaid regulations with filing and processing covered claims.
- 7.5 Co-payments or deductibles for Purchasing Agency's clients covered by a third party payer shall be billed to the responsible party indicated on the request.
- 7.6 The Contractor shall use the Purchasing Agency address and fiscal contact as the bill-to address when billing the Purchasing Agency.
- 7.7 Any billing or billing inquiries related to a Purchasing Agency's clients shall be sent directly to the responsible party indicated on the request by the Purchasing Agency.
- 7.8 The Purchasing Agency shall indicate the party responsible for payment at the time services are ordered. In those instances where the Purchasing Agency indicates that the Purchasing Agency is responsible for the services rendered, the Contractor shall issue separate invoices to each Purchasing Agency. These invoices shall be itemized by Purchasing Agency's patient. The Contractor shall not directly bill the services performed under this contract directly to Purchasing Agency's patients, except where the Contractor is requested to bill the other responsible party (including Medicare, Medicaid and insurance companies) by the Purchasing Agency and the other responsible party requires the Contractor to seek remuneration from the patient for the patient's portion of the service performed.

8. Forms, Equipment and Supplies.

- 8.1 The Contractor shall provide all forms used to identify specimens, order and process tests in sufficient supply to each Purchasing Agency unless the Purchasing Agency and Contractor have agreed to use other means to manage this process at no additional charge.
- 8.2 As allowed by applicable laws and regulations and consistent with Contractor's policies and procedures, the Contractor shall provide all equipment and supplies necessary for the collection, preservation, and preparation of specimens. If requested by a Purchasing Agency, the Contractor shall provide a centrifuge for specimen preparation at no additional charge.
- 8.3 Purchasing Agencies may request a refrigerator from the Contractor for specimen preservation. If the Contractor determines that a refrigerator is necessary, the Contractor shall provide one at no additional charge to the Purchasing Agency. If the Contractor

determines that a refrigerator is not necessary, the Contractor shall provide an alternative plan for specimen preservation.

9. Consultation, Training, In-Service Support, Contract Administration.

- 9.1 The Contractor shall make available, on a twenty four hours per day, seven days per week basis (including holidays), professional laboratory consult for telephonic or electronic consultation with Purchasing Agency medical or other staff concerning the significance of test results, unusual cases, technical matters, and quality assurance issues.
- 9.2 Upon contract award and, as requested by a Purchasing Agency, the Contractor shall provide in-service training that, at a minimum shall include: (1) the protocols used for the collection, preparation, preservation, labeling and packaging of specimens; and (2) reviewing result and report format(s).
- 9.3 The Contractor shall appoint a single point of contact (contract manager) for the Contracting Agency. This person shall have the ability, responsibility and authority to coordinate the services required by this solicitation and the resulting contract.
- 9.4 The Contractor's contract manager or a designated representative shall meet with the Contracting Agency contract administrator as requested by the Contracting Agency. The Contracting Agency may also, from time to time, request a report for the Contractor that shall document any Purchasing Agency issues that may have arisen.
- 9.5 The Contractor shall provide to the Contracting Agency (DMHMRSAS), upon request, the following information for a specified time period:
 - 9.5.1 Name of test performed
 - 9.5.2 Total number of each test performed (breakout routine and stat testing)
 - 9.5.3 Number of tests billed to Medicare and Medicaid.
 - 9.5.4 Number to tests billed to private insurers.
 - 9.5.5 Number of tests billed to Purchasing Agencies.
 - 9.5.6 Total number of phlebotomy services performed at Purchasing Agency facilities and Contractor sites. Routine and stat services shall be identified.
- 9.6 Upon request by the Contracting Agency, the Contractor shall send a customer satisfaction/performance questionnaire (developed by the Contractor within 60 days of such request) to 25% of the total "account" customer base. A postage-paid envelope addressed to the Contracting agency contract administrator shall accompany each questionnaire. (Include VDH sites in the 25% of the account customer base that is surveyed.)

- 9.7 The Contractor shall provide mutually agreed upon customized reports as requested by the Purchasing Agencies and the Contracting Agency. These include but are not limited to the following cytology reports.

Monthly Client level abnormal Pap data report by health district site. Reported in the most current Bethesda categories. Send to Virginia Department of Health, DWIH, 109 Governor Street, 8th floor, Richmond, VA 23219 Attention: Family Planning Program.

Provide VDH a quarterly cytology spreadsheet report to include the number of Paps by health district site, number of conventional and Liquid Base Paps, number of Paps By each Bethesda classification category and total Paps per health district service site.

Provide VDH an annual cytology report to include include the following:

Test name and Test number

Quantity provided by individual test

HPV/Mono/Combos/Reflexes by quantity, price

Biopsy by test name, test number, quantity, price

Total number of physician Read Paps

Total expenditures by category for:

Conventional Pap, Liquid Base Pap, HPV, Physician Read

Total number of Paps by each Bethesda classification category

Contractor will work with VDH and the Every Woman's Life Program (EWL) to obtain as requested EWL program and client level cytology data reports.

- 9.8 All Cytology results shall be reported in accordance with the "Bethesda System".
- 9.9 LabCorp shall provide the Virginia Department of Health (VDH) alternate methods of result delivery, outside of U.S. mail, such as fax, teleprinter, LCM, eLabCorp, or interfaces at no additional charge. The chosen result delivery option is dependent upon the VDH location's current testing volumes and the willingness to create an electronic order, coupled with factors such space, connectivity options (fax, internet, dial-up), etc. LabCorp will contact VDH to arrange on-site visits to all VDH locations to assist them in determining the most appropriate test order and/or result delivery method based on current processes, resources and space availability.
- 9.10 LabCorp shall work with each account in reviewing account information and update or delete incorrect account information.

10. Electronic Result Delivery and Test Orders.

- 10.1 Electronic patient demographic module, and/or result delivery and/or test orders systems shall be used to the fullest extent possible. The Contractor shall make available electronic patient demographic bridge, and/or result delivery and/or test order products (Contractor developed products; bi-directional or uni-directional interface) to qualified Purchasing Agencies as allowed bay applicable laws and regulations and consistent with the Contractor's policies and procedures. For qualified Purchasing Agencies, the Contractor

shall provide all necessary hardware (i.e. printers, central processing unit, and monitor and any other required peripherals).

- 10.2 LabCorp shall review each Purchasing Agency's desired connectivity solution (electronic orders and results, or results only) to include that Purchasing Agency's software vendor, to determine LabCorp's ability to coordinate the interface solution at no additional charge.

11. Subtracting Report.

- 11.1 LabCorp shall provide DMHMRSAS, on a quarterly basis, a subcontracting report on payments made to small businesses, woman owned businesses and minority owned businesses related to this contract. The report shall contain the company name, location, federal identification number, contact name and telephone number, and dollars spent over the previous three (3) months.

12. PRICING: The pricing for this contract can be accessed thru the DMHMRSAS website. Please use the following link to obtain the price list, www.dmhmrsas.virginia.gov/adm-RFPSAwards.htm.

Please contact Dick Myers, Contract Manager, at 804-786-6632 if you have any questions or wish to report any problems regarding this contract.