

November 28, 2011

RFQ NUMBER MED12010

**REQUEST FOR QUOTATION
STATE OF WEST VIRGINIA
HEALTH AND HUMAN RESOURCES
BUREAU FOR MEDICAL SERVICES
HEALTH FACILITY APPRAISAL SERVICES**

**BY
SOUTHWESTERN APPRAISAL COMPANY**

**5111 MELROSE AVENUE, N.W.
ROANOKE, VA 24017**

**Telephone: (540) 986-0472
Fax: (540) 986-0927
Email: swappraisal@aol.com**

CONTACT PERSON

J. GREGORY WINGATE, ASA
CERTIFIED GENERAL REAL ESTATE APPRAISER
LICENSE NO. 155

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SOUTHWESTERN APPRAISAL COMPANY

5111 MELROSE AVENUE, N.W. • ROANOKE, VIRGINIA 24017 • (540) 986-0472 • FAX: (540) 986-0927

November 28, 2011

WV Department of Health and Human Resources
Office of Purchasing
ATTN: Donna D. Smith
One Davis Square, Suite 100
Charleston, WV 25301

Dear Ms. Smith:

Re: Health Facility Appraisals
Bureau for Medical Services
RFQ NUMBER MED12010

Pursuant to the "Request for Quotation" dated October 19, 2011, to provide Health Facility Appraisal Services necessary for the Medicaid Program's long-term care facility reimbursement system, we are pleased to submit the following:

Southwestern Appraisal Company assisted in the development of the existing Appraisal Program, in cooperation with the WV Department of Transportation between 1977 and 1979. Since that date we have made the initial complete appraisal valuations and conducted the annual update of all licensed SNF/NF/MR facilities, including the 2011 Updates.


I hereby certify that this Quotation meets all specifications set forth within the R.F.Q., and was developed without collusion or any other consideration contingent upon, or resulting from, an award of the contract.

Please find attached hereto and made a part of this quotation, current copies of Certified General Real Estate Appraiser Licenses for Joe D. Wingate and J. Gregory Wingate. If this quotation is found acceptable, these are the only two (2) appraisers that will conduct field inspections and be responsible for the necessary office preparations for the final S.A.V. report/update. The location and base of operations for the staff working on this contract will remain the same as in the previous years at 5111 Melrose Avenue, Roanoke, VA, 24017.

Thank you for allowing us this opportunity to submit this Quotation. If I can provide additional information, or if there are any questions or comments regarding this Quotation, please feel free to contact me at any time.

Respectfully submitted,

SOUTHWESTERN APPRAISAL COMPANY


J. Gregory Wingate, ASA
Certified General Appraiser, #155

JGW/kgw
Attachments

RESPONSE TO PROCUREMENT SPECIFICATIONS

(MED12010)

2 PROJECT SPECIFICATIONS:

Mandatory Requirements

2.3.1 *Must comply with requirements listed in Attachment B.*

Please see Attachment B on page 21.

2.3.2 *Vendor must provide proof of certification as general real estate appraiser certified in the State of West Virginia and must maintain a valid general real estate appraiser certification in the State of West Virginia for the life of the contract, including optional renewal years.*

On January 27, 1992, Joe D. Wingate was awarded his West Virginia Certified General Appraisal license. On February 03, 1993, J. Gregory Wingate was awarded his West Virginia Certified General Appraisal license. Both have maintained their licenses and will continue to provide BMS copies of their licensures in the future.

State of West Virginia
WV Real Estate Appraiser Licensing & Certification Board
This is to certify that
JOE D WINGATE
5111 MELROSE AVE NW
ROANOKE VA 24017-
CERTIFIED GENERAL CG098
Expiration Date 09/30/2012

has met the requirements of the law, and is authorized to appraise real estate and real property in the State of West Virginia.

Sanctus J. Kerne Executive Director

State of West Virginia
WV Real Estate Appraiser Licensing & Certification Board
This is to certify that
JOSEPH G WINGATE
5111 MELROSE AVE. NW
ROANOKE VA 24017-
CERTIFIED GENERAL CG155
Expiration Date 09/30/2012

has met the requirements of the law, and is authorized to appraise real estate and real property in the State of West Virginia.

Sanctus J. Kerne Executive Director

2.3.3 *Vendor shall have at least five (5) years experience and expertise in health facility appraisal valuation under the current reproduction cost approach using a "model facility standard" (MFS) and Marshall-Swift & Boeckh construction indices approach as opposed to the "fair market value" approach for these appraisals so that a Standard Appraised Value (SAV) based on the appraisal of the land, building and equipment can be established for use in conjunction with the capital costs segment of our reimbursement system.*

In 1977, Southwestern Appraisal Company assisted in the initial development and implementation of the SAV program. All of the original SAV appraisals were completed from 1977 through 1979. At this time, the Marshall-Swift and Boeckh Cost Manuals were relied on exclusively for all cost data. These manuals are still relied on to establish base costs of the homes and various site accessories. In addition to these manuals, many actual costs are now tracked and recorded by our company in order to more accurately assess value specifics that are not adequately covered in these manuals. This actual cost information is obtained from the facilities during the annual updates. The availability of this data conclusively supports the cost reported in the appraisals and carries great weight in determining the validity of any administrative reviews and/or appeals that might arise during a facility claim for adjustments.

2.3.4 *Vendor must provide details of at least five (5) years of experience in performing appraisals as described in this RFQ.*

Southwestern Appraisal Company was formed in July 1965 (46 years) and presently has two (2) full time appraisers both of which are accredited senior appraiser members of the American Society of Appraisers, holding general appraisal licenses and are active throughout Virginia and West Virginia. Also, qualified as expert witness and testified in numerous counties and cities throughout Virginia and West Virginia, including Federal Courts in both states.

Southwestern Appraisal Company assisted in the development of the Standard Appraised Value Program, for the West Virginia Department of Health and Human Services, between 1977 and 1979, in cooperation with the West Virginia Department of Transportation. We have continued our involvement with the S.A.V. Program with the successful completion of all annual appraisal updates since 1979, including full reports of all new facilities added to this program, currently involving approximately 182 facilities. Each year after the S.A.V. updates are completed, Southwestern Appraisal Company continues to provide any assistance needed to the BMS or the nursing home facilities such as cause and effect scenarios resulting from changes in room use or changes to the home licensure. We believe that keeping a small appraisal staff not only simplifies the appraisal process, but also helps keep the values more uniform and equitable.

We take pride in establishing a successful working relationship with our clients by being easy to contact and eager to discuss and assist with issues as needed.

2.3.5 *Vendor must provide at least three (3) Vendors references, other than West Virginia Department of Health and Human Resources, Bureau for Medical Services, of past appraisal work performed, along with a detailed description of the work performed.*

Southwestern Appraisal Company has appraised a vast number of projects for states, cities, counties, airport commissions, utility companies, insurance companies, oil & coal companies, banks, saving and loan associations, attorneys, buyers and sellers of real estate since 1965. Southwestern Appraisal Company also appraised commercial sites for the US Postal Service to be used for future post office sites throughout West Virginia, Virginia, and Kentucky. We also assisted in the selection of sites for proposed post offices and negotiated lease agreements with owners of new and existing post office facilities.

❖ **VIRGINIA DEPARTMENT OF TRANSPORTATION**

**On Approved Panel of Appraisers
Right of Way and Utilities
Richmond, VA**

- **Paul Jenkins, Salem District
731 Harrison Ave.
Salem, VA 24153
(540) 387-5320**
- **Willis Blevins, Bristol District
870 Bonham Rd.
Bristol, VA 24201
(276) 669-6151**

Over 1,500 appraisals have been made for the Department of Transportation in Virginia and West Virginia statewide for highway right of way acquisitions. Our latest project involved widening the commercial intersection of VA Route 116 and VA Route 122 in Burnt Chimney, Virginia. The properties included two (2) gas/food stores, bank, preschool, carwash, and one (1) residential property situated in a transitioning commercial setting owned by Franklin County.

❖ **US DEPARTMENT OF THE INTERIOR**
Donald T. King, Chief Realty Officer
National Trail Office Land Resources Programs Center
1314 Edwin Miller Blvd.
Martinsburg, WV 25404
(304) 263-4943

Formerly under contract with the US Department of Interior to conduct appraisals on all property types throughout VA and southern West Virginia in connection with both simple fee and easement acquisitions for the construction of the Appalachian Natural Scenic Trail. Also, a project included the appraisal of approximately 100 parcels for the Department of the Army, Corps of Engineers in Lewis County, West Virginia, both rural and residential tracts. The purpose of these acquisitions was to construct The Stonewall Jackson Lake for future flood control to the city of Weston, West Virginia.

❖ **BANK OF FINCASTLE**
John Kilby, President
Commercial Real Estate Appraisals
17 South Roanoke Street
Fincastle, VA 24090
(540) 473-2761

Some of the work completed for the Bank of Fincastle includes appraisals of commercial tracts including the Well's Furniture Building in the "Statesmen Industrial Park" (Roanoke City, Virginia) and appraisals for the Shenandoah Nursing Home and Richwood Acres Nursing Home, both located in Botetourt County, Virginia.

2.3.6 *Vendor shall obtain from the Bureau for Medical Services, a list of Long-Term Care Facilities to be appraised – see Appendix 1 for current facilities. The list shall contain the names and locations of those facilities to be appraised. Bureau for Medical Services Contract Administrator is Nora McQuain.*

Southwestern Appraisal Company maintains a current list of all facilities in the SAV Program as provided by the Bureau for Medical Services.

2.3.7 *Vendor shall carry out a program of appraisal for each designated health care facility in accordance with Bureau instructions, policy and procedures. Annual update appraisals must be completed between January 1 and June 30 of each year and must be delivered to the Bureau for Medical Services by September 1 of each year. New initial and/or major facility renovation appraisals may necessitate an appraisal during the year.*

During the annual inspections, which are conducted between January 01 and June 30, all facilities are personally visited utilizing a statewide schedule to

inspect each facility as near to a one-year time lapse as possible. It has been well demonstrated by the past history and work performance that Southwestern Appraisal Company can complete the service requirements of this project between January 01 and June 30 of a given year. It has been our experience that when working on a mass appraisal project of this type, a smaller and well-organized team is more cost effective and best achieves the desired comparable equities, thereby treating similar facilities statewide in a more equitable manner. During the course of the existing contract, including the 2011 SAV Update, all field inspections and office preparations have been conducted by Joe D. Wingate, ASA, Certified General Appraiser, License #098; or Joseph G. Wingate, ASA, Certified General Appraiser, License #155.

In our past experience with the S.A.V. project we have found it crucial not to accept or solicit other appraisal assignments that would interfere with our responsibilities to the State of West Virginia. This allows more predictable scheduling of inspections, ensuring that the project will be completed in a timely manner.

2.3.8 Vendor shall consult quarterly via telephone with the Bureau on aspects of the appraisal program.

Southwestern Appraisal Company is pleased to consult quarterly with the Bureau of Medical Services on any aspect of the program.

2.3.9 Vendor will complete all field work by June 30th of each year and shall submit to the Bureau by September 1st of each year; two (2) copies of each initial appraisal and/or annual update of each nursing facility appraisal and three (3) copies of each intermediate care facility for mentally retarded (ICF/MR) appraisal. In addition to this requirement, an electronic submission of each appraisal must be forwarded via email to Office of Accountability and Management Reporting (OAMR).

As in the past, Southwestern Appraisal Company will continue to ship two (2) copies of each initial appraisal and/or each nursing facility appraisal update and three (3) copies of each intermediate care facility for mentally retarded (ICF/MR) appraisal update. In addition to the hard copies, electronic copies of SAV reports are emailed after OAMR has approved them.

2.3.10 Vendor shall prepare and submit to the Bureau ad hoc reports upon BMS request.

Southwestern Appraisal Company agrees to prepare and submit ad hoc reports as required.

2.3.11 *Vendor shall certify that they and no entity, agency, or person associated with the Vendor is debarred or suspended.*

No person associated with Southwestern Appraisal Company has ever been debarred, suspended or reprimanded by any professional organization or licensing agency.

2.4 *Optional Services: The Vendor shall provide additional services to comply with externally driven changes to BMS programs and requirements, including any state or federal laws, rules and regulations. Services provided by the Vendor may include, but not be limited to, assistance with policy development, impact analysis, requirements definition and testing activities that require substantial subject matter expertise derived from experience in other states, other healthcare organizations or participation in federal activities. Provide implementation support as requested. Optional Services shall be bid as an all-inclusive hourly rate and shall require Bureau approval of a Statement of Work (SOW) and submission of a related Cost Estimate.*

Southwestern Appraisal Company is pleased to provide additional services to comply with externally driven changes to BMS programs and requirements, including any state or federal laws, rules and regulations. Services provided by Southwestern Appraisal Company may include, but not be limited to, assistance with policy development, impact analysis, requirements definition and testing activities that require substantial subject matter expertise derived from Southwestern Appraisal Company's experience in other states, other healthcare organizations or participation in federal activities. Southwestern Appraisal Company is pleased to provide implementation support as requested.

3 *VENDOR QUOTATION:*

3.5 *Purchasing Affidavit:*

In accordance with Medicaid Services Contracts Purchasing Methodology and Manual, all bidders must submit an affidavit regarding any debt owed to the State of West Virginia. The affidavit must be signed and submitted prior to award. It is preferred that the affidavit be submitted with the quotation.

http://www.dhhr.wv.gov/bms/ProcurementNotices/Documents/RFPs/MED_PURCHASING_AFFIDAVIT.pdf

See Attachment C.

3.6 *Resident Vendor Preference:*

DHHR Office of Purchasing will make the determination of the Resident Vendor Preference, if applicable. Resident Vendor Preference provides an opportunity for qualifying Vendors to request at the time of bid preference for their residency status. Such preference is an evaluation method only and will be applied in accordance with Medicaid Services Contracts Purchasing Methodology and Manual. A certificate of application is used to request this preference. A West Virginia Vendor may be eligible for two (2) 2.5% preferences in the evaluation process.

Not applicable.

4 EVALUATION AND AWARD:

4.3 *Vendor Registration:*

Vendors participating in this process should complete and file a Vendor Registration and Disclosure Statement (Form WV-1) and remit the registration fee. Vendor is not required to be a registered Vendor in order to submit a quotation, but the successful bidder must register and pay the fee prior to the award of an actual purchase order or contract.

Southwestern Appraisal Company is a registered vendor (*709033645) and renewed our registration on July 11, 2011. We will continue to renew our registration each year.

5 CONTRACT TERMS AND CONDITIONS:

5.1 – 5.14

Southwestern Appraisal Company hereby agrees to all the contract terms and conditions set forth in RFQ Number MED12010.

5.12.2 *Insurance Requirements:*

The Vendor as an independent contractor is solely liable for the acts and omissions of its employees and agents. Proof of insurance shall be provided by the Vendor at the time the contract is awarded. The Vendor shall maintain and furnish proof of coverage of liability insurance for loss, damage, or injury (including death) of third parties arising from acts and omissions of the part of the Vendor, its agents, employees in the following amounts:

For bodily injury (including death): Minimum of \$500,000.00 per person, and \$1,000,000.00 per occurrence.

For property damage and professional liability: Minimum of \$1,000,000.00 per occurrence.

Southwestern Appraisal Company renews its policy each year and can provide a copy of the policy as needed in the future. A copy of our current policy is on the following page.



GENERAL STAR NATIONAL INSURANCE COMPANY
P.O. Box 10354
Stamford, Connecticut 06904

REAL ESTATE ERRORS & OMISSIONS LIABILITY INSURANCE POLICY

DECLARATIONS PAGE

This is a claims made and reported policy. Please read this policy and all endorsements and attachments carefully.

Policy Number: NJA803239B

Renewal of Number: NJA803239A

1. **NAMED INSURED:** Southwestern Appraisal Company
MAILING ADDRESS: 5111 Melrose Ave
Roanoke, VA 24017

2. **POLICY PERIOD:** Inception Date: 03/25/2011 Expiration Date: 03/25/2012
Effective 12:01 a.m. Standard Time at the mailing address of the Named Insured.

3. **LIMIT OF LIABILITY:**
Each Claim: \$ 1,000,000
Aggregate: \$ 1,000,000
Lock Box Liability: See Above

4. **CLAIM EXPENSES:**
a. Are included within the limits of liability.

5. **STATUS OF INSURED:** Partnership

6. **DEDUCTIBLE:**
Each Claim: \$ 5,000
b. The deductible amount specified above applies to both Damages and Claims Expenses.

7. **PRIOR ACTS DATE:** 03/25/2009
If a date is indicated, this insurance will not apply to any regular act, error, omission or personal injury which occurred before such date.

8. **PREMIUM:** \$ 1,887.00

9. **ENDORSEMENTS:**
This policy is made and accepted such to the printed conditions in this policy together with the provisions, stipulations and agreements contained in the following form(s) or endorsement(s).
GSN-06-RE-120 (07/2004) GSN-06-PL-848VA (11/2003)
GSN-07-RE-283 (06/2008) 06-RE-288 (07/2004) 06-RE-350 (03/2004) GSN-07-PL-375 (02/2006) 06-REAC-1622 (02/2004)

10. **MANAGING AGENT**
Herbert H. Landy Insurance Agency, Inc.
75 Second Avenue, Suite 410
Needham, Massachusetts 02494-2876

Authorized Representative

Producer Code: 00026230
Date: 03/29/2011

Class Code: 73127
SLA#:

GSN-06-RE-720 (04/2004)

5.12.3 License Requirements:

Provide certification that Vendor is registered with the Secretary of State's Office to do business in West Virginia; provide evidence that Vendor is in good standing with the State Agency of Employment Programs as to Unemployment Compensation coverage and the Offices of the Insurance Commissioner as to Worker's Compensation coverage or exempt from such coverage. Additional evidence of licensure may be required based on the scope of services solicited.

**WEST VIRGINIA
STATE TAX DEPARTMENT
BUSINESS REGISTRATION
CERTIFICATE**

ISSUED TO:
**JOE D WINGATE
DBA SOUTHWESTERN APPRAISAL CO
5111 MELROSE AVE N W
ROANOKE, VA 24017**

BUSINESS REGISTRATION ACCOUNT NUMBER: **1032-4578**

This certificate is issued on: **06/24/2010**

*This certificate is issued by
the West Virginia State Tax Commissioner
in accordance with W.Va. Code § 11-12.*

*The person or organization identified on this certificate is registered
to conduct business in the State of West Virginia at the location above.*

This certificate is not transferrable and must be displayed at the location for which issued.

This certificate shall be permanent until cessation of the business for which the certificate of registration was granted or until it is suspended, revoked or cancelled by the Tax Commissioner.

Change in name or change of location shall be considered a cessation of the business and a new certificate shall be required.

TRAVELING/STREET VENDORS: Must carry a copy of this certificate in every vehicle operated by them.
CONTRACTORS, DRILLING OPERATORS, TIMBER/LOGGING OPERATIONS: Must have a copy of this certificate displayed at every job site within West Virginia.

atL006 v.1
L1849965312



Earl Ray Tomblin, *Governor*
Russell L. Fry, *Acting Executive Director*
Keith Burdette, *Cabinet Secretary*

July 11, 2011

Wingate & Wingate, LLC, DBA
Southwestern Appraisal Company
5111 Melrose Avenue, NW
Roanoke, VA 24017

Dear Employer:

We acknowledge receipt of your registration application. After reviewing this form, we have determined that you are not liable under the West Virginia Unemployment Law at this time.

We wish to advise that if you do employ persons whose services are localized in West Virginia, liability will be incurred as of the date of first employment in this state and this office should be immediately notified in order that an account can be established.

Effective with the reporting period beginning January 1, 2005, any LLC which elects on Form 8832 to file with the Internal Revenue Service as a corporation must report to this Agency any wages paid to the members.

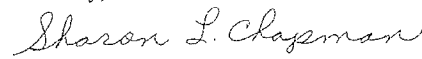
In accordance with provision of the Commissioner's Regulations, Regulation 96 CSR 2, an employer who desires to dispute a decision or action by the Commissioner, or designee, is required to file a complete and timely request for reconsideration; otherwise, the Bureau's decision or action becomes final after thirty (30) days receipt of this decision.

A request for reconsideration shall be filed within thirty (30) days of the employer's receipt of the disputed decision, or in absence of such a receipt, within sixty (60) days of the date of the Commissioner, or designee, making such disputed decision.

The request for reconsideration shall be filed with the Commissioner, Attention: Michael Moore, Director of Unemployment Compensation (5101), 112 California Avenue, Charleston, West Virginia 25305.

If you have any questions, you can contact me at (304) 558-2669 or by e-mail at Sharon.L.Chapman@wv.gov

Sincerely,


Sharon L. Chapman, EP Tech II
Status Determination Unit
/slc

Contribution Account Section
Unemployment Compensation Division
P. O. Box 106, Charleston, WV 25321-0106
An agency of the Department of Commerce

An equal opportunity employer/program and auxiliary aids are available upon request to individuals with disabilities.

www.workforcewv.org

WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY
INFORMATION PAGE



POLICY NO. 96-BS-F821-3
REPLACES NO. 96-BE-H769-1

COVERAGE IS PROVIDED BY
STATE FARM FIRE AND CASUALTY COMPANY
1500 STATE FARM BL, CHARLOTTESVILLE VA 22909-0001

07-3334-F218

1. NAMED INSURED & MAILING ADDRESS
WINGATE & WINGATE LLC
DBA SOUTHWESTERN APPRAISAL
SERVICE
5111 MELROSE AVE NW
ROANOKE VA 24017-2341

NCCI CARRIER CODE NO. 14842
FEIN 030422964

WORKPLACE NOT SHOWN
INSURED IS LLC

COPYRIGHT 1987 NATIONAL COUNCIL ON COMPENSATION INSURANCE

2. THE POLICY PERIOD IS FROM 08/05/2011 TO 08/05/2012 12:01 A.M. STANDARD TIME
AT THE INSURED'S MAILING ADDRESS.

3A. WORKERS COMPENSATION INSURANCE: PART ONE OF THE POLICY APPLIES TO THE
WORKERS COMPENSATION LAW OF THE STATES LISTED HERE: VA

B. EMPLOYERS LIABILITY INSURANCE: PART TWO OF THE POLICY APPLIES TO
WORK IN EACH STATE LISTED IN ITEM 3A. THE LIMITS OF OUR LIABILITY
UNDER PART TWO ARE: BODILY INJURY BY ACCIDENT \$ 500,000 EACH ACCIDENT
BODILY INJURY BY DISEASE \$ 500,000 EACH EMPLOYEE
BODILY INJURY BY DISEASE \$ 500,000 POLICY LIMIT

C. OTHER STATES INSURANCE: PART THREE OF THE POLICY APPLIES TO ALL STATES
EXCEPT ME, MT, ND, OH, RI, WA, WV, WY AND STATES LISTED IN 3A.

D. THIS POLICY INCLUDES THESE ENDORSEMENTS AND SCHEDULES: WC000000A
WC450602 WC000414 WC000420 WC000112 WC000310 WC000422A

4. THE PREMIUM FOR THIS POLICY WILL BE DETERMINED BY OUR MANUALS OF
RULES, CLASSIFICATIONS, RATES AND RATING PLANS. ALL INFORMATION
REQUIRED BELOW IS SUBJECT TO VERIFICATION AND CHANGE BY AUDIT.

CODE NOS. AND CLASSIFICATIONS	PREMIUM BASIS TO-TAL ESTIMATED AN-NUAL REMUNERATION	RATE/\$100 REMUNERA-TION	ESTIMATED ANNUAL PREMIUM
8721 REAL ESTATE APPRAISAL COMPANIES - OUTSIDE EMPLOYEES	7,800	.23	18
8810 CLERICAL OFFICE EMPLOYEES NOC	24,177	.15	36
EMPLOYERS LIABILITY INCREASED LIMITS TERRORISM 9740	31,977	.05	100 16
MINIMUM PREMIUM \$ 100 VIRGINIA	TOTAL ESTIMATED ANNUAL PREMIUM \$		170
PREMIUM ADJUSTMENT PERIOD SHALL BE ANNUAL	DEPOSIT PREMIUM \$		170

PREPARED 06/13/2011

COUNTERSIGNED _____

WC 00 00 01 A

32 2261 5067 BY AGENT _____

191-4233 02-2000 Printed in U.S.A.

WORKERS COMPENSATION AND EMPLOYERS LIABILITY POLICY
INFORMATION PAGE ENDORSEMENT
PAGE 01



THIS FORMS A PART OF
POLICY NO. 96-BS-F821-3

COVERAGE IS PROVIDED BY
STATE FARM FIRE AND CASUALTY COMPANY
1500 STATE FARM BL, CHARLOTTESVILLE VA 22909-0001

NAMED INSURED AND MAILING ADDRESS
WINGATE & WINGATE LLC
DBA SOUTHWESTERN APPRAISAL
SERVICE
5111 MELROSE AVE NW
ROANOKE VA 24017-2341

THE EFFECTIVE DATE IS 08/05/2011
THE EXPIRATION DATE IS 08/05/2012

LOCATION OF THE INSURED

LOCATION
NUMBER

01 5111 MELROSE AVE NW
ENTITY:ET01

ROANOKE VA 24017-2341

191-5286 03-2000 Printed in U.S.A.

ALL OTHER TERMS AND CONDITIONS OF THIS POLICY REMAIN UNCHANGED.

PREPARED 06/13/2011
WC 99 00 02 04-84

COUNTERSIGNED _____

BY AGENT _____

QUALIFICATIONS OF J. GREGORY WINGATE, ASA
REAL ESTATE APPRAISER

EDUCATION:

Attended numerous seminars and appraisal courses under the sponsorship of The American Society of Real Estate Appraisers, The International Association of Assessing Officers, and The Appraisal Institute.

*Bachelor of Science in Marketing, 1984
Radford University, Radford, Virginia*

APPRAISAL EXPERIENCE:

*Southwestern Appraisal Company, Roanoke, Virginia
Research real estate; gather, finalize and correlate data. Appraisals included commercial, residential and rural land/farms. Conducted several appraisals for condemnation purposes under the direction of the Virginia Department of Highways and the National Park Service for the Appalachian Trail and the Blue Ridge Parkway. Assisted in Standard Appraised Value Project covering all licensed SNF/NF nursing homes throughout the State of West Virginia (January 1, 1993 - Present). Experienced in completing FNMA Appraisals (1985 - 1987/ 1992 - Present).*

*County of Roanoke, Roanoke, Virginia
Inspect and appraise real estate throughout the County for 1987 - 1992
General Reassessments (1987 - 1992).*

*Wingate Appraisal Service, Roanoke, Virginia
Trainee responsible for collecting descriptive data on all types of real estate, under the direction of the Pulaski County Board of Assessors, for the 1984/85 General Reassessment (1984 - 1985).*

PROFESSIONAL ORGANIZATIONS:

*Certified as General Real Estate Appraiser for the State of Virginia,
Certification No. 1552 (12/92).*

*Certified as General Real Estate Appraiser for the State of West Virginia,
Certification No. 155 (02/93).*

Accredited Senior Appraiser (ASA, 7/90) American Society of Appraisers

QUALIFICATIONS OF JOE D. WINGATE, ASA
REAL ESTATE APPRAISER

EDUCATION:

Attended Richmond Professional Institute, Richmond, Virginia, 1954 - 1955.

Attended special appraisal school (summer) at the University of Virginia, 1958 through 1963, under the joint sponsorship of the Virginia Association of Assessing Officers and the Institute of Government of the University of Virginia.

Attended numerous seminars and appraisal courses under the sponsorship of The Society of Real Estate appraisers and the Appraisal Institute.

APPRAISAL EXPERIENCE:

Sept. 1957 thru Dec. 1957 -Employed by the City of Portsmouth, Virginia, as a real estate appraiser, in connection with the City's general reassessment.

Jan. 1958 - 1961 Employed by the Virginia Department of Taxation as a real estate appraiser. During this period, I was assigned to various cities and counties to appraise all types of real estate in connection with general reassessments.

Jan. 1962 - 1965 -Employed by Wingate Appraisal Service, Salem, Virginia.

July 1965 -Formed Southwestern Appraisal Company, with offices presently at 5111 Melrose Avenue, N.W., Roanoke, Virginia.

PROFESSIONAL ORGANIZATIONS:

May 1966 -Awarded Senior Residential Appraiser designation by the Society of Real Estate Appraisers.

April 1969 -Admitted to regular membership by the American Right of Way Association, Potomac Chapter #14.

June 1974 -Awarded Senior Membership designation in the American Society of Real Estate Appraisers.

December 1991 -Certified as General Real Estate Appraiser for the State of Virginia, Certification No. 4001 000723.

January 1992 -Certified as General Real Estate Appraiser for the State of West Virginia, Certification No. 098.

COURT EXPERIENCE:

Qualified as an expert witness in numerous counties and cities in the States of Virginia and West Virginia, including the Federal Courts.

ATTACHMENT A



West Virginia Department of Health and Human Resources
 Bureau for Medical Services
 BMS Request for Quotation MED12010

Attachment A: Cost Sheet

Cost information below as detailed in the RFQ and submitted.

Year 1	Cost	Estimated Quantity	Total
Initial complete appraisal valuation of each long-term care and ICF facility (per unit cost)*	\$ 2800.00	5	\$ 14,000.00
Annual update of appraisal valuation of each existing facility (per unit cost)*	\$ 1675.00	185	\$ 309,875.00
All inclusive hourly rate for expert witness appearance in the event of an appraisal appeal. All travel and expenses are included in the hourly rate.	\$ 100.00	20 Hours	\$ 2,000.00
All inclusive hourly rate for design, development, and production of ad hoc reports.	\$ 100.00	10 Hours	\$ 1,000.00
Estimated Total			\$ 326,875.00

Year 2 (Optional Renewal)	Cost	Estimated Quantity	Total
Initial complete appraisal valuation of each long-term care and ICF facility (per unit cost)*	\$ 3,000.00	5	\$ 15,000.00
Annual update of appraisal valuation of each existing facility (per unit cost)*	\$ 1750.00	185	\$ 323,750.00
All inclusive hourly rate for expert witness appearance in the event of an appraisal appeal. All travel and expenses are included in the hourly rate.	\$ 100.00	20 Hours	\$ 2,000.00
All inclusive hourly rate for design, development, and production of ad hoc reports.	\$ 100.00	10 Hours	\$ 1,000.00
Estimated Total			\$ 341,750.00



West Virginia Department of Health and Human Resources
Bureau for Medical Services
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Year 3 (Optional Renewal)	Cost	Estimated Quantity	Total
Initial complete appraisal valuation of each long-term care and ICF facility (per unit cost)*	\$ 3200.00	5	\$ 16,000.00
Annual update of appraisal valuation of each existing facility (per unit cost)*	\$ 1,850.00	185	\$342,250.00
All inclusive hourly rate for expert witness appearance in the event of an appraisal appeal. All travel and expenses are included in the hourly rate.	\$ 110.00	20 Hours	\$ 2,200.00
All inclusive hourly rate for design, development, and production of ad hoc reports.	\$ 110.00	10 Hours	\$ 1,100.00
Estimated Total			\$361,550.00

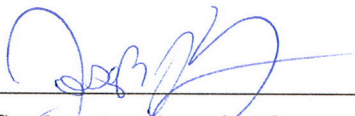
Grand Total for Three Year Contract Period \$ 1,030,175.00

"Per unit cost" is the cost per health care facility appraisal that includes all related costs for the service.

"Estimated Quantity" is only an estimate for use in evaluating an estimated total cost. Actual quantities may be more or less.

The contract price will remain firm for the life of the contract.

Vendor will invoice BMS monthly for work completed in the previous month.



Southwestern Appraisal Company
(Company)

J. Gregory Wingate, Managing Member
(Representative Name, Title)

(540) 986-0472/Fax (540) 986-0927
(Contact Phone/Fax Number)

November 28, 2011
(Date)

ATTACHMENT B



West Virginia Department of Health and Human Resources
Bureau for Medical Services
BMS Request for Quotation MED12010

Attachment B: Special Terms and Conditions

If a vendor's Quotation includes proprietary language, an electronic copy omitting any proprietary language for publishing to the DHHR web-site shall be submitted.

Agree that BMS retains ownership of all data, procedures, programs, work papers and all materials gathered or developed under the contract with West Virginia

I certify that I have acknowledged the additional contract provisions contained in Attachment B and that the Quotation meets or exceeds all additional requirements as listed.

A handwritten signature in blue ink, appearing to read "J. Wingate", written over a horizontal line.

Southwestern Appraisal Company

(Company)

J. Gregory Wingate, Managing Member

(Representative Name, Title)

(540) 986-0472/ Fax (540) 986-0927

(Contact Phone/Fax Number)

November 28, 2011

(Date)

BUREAU FOR MEDICAL SERVICES

MED PURCHASING AFFIDAVIT

West Virginia Code §5A-3-10a states: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owned is an amount greater than one thousand dollars in the aggregate

DEFINITIONS:

"Debt" means any assessment, premium, penalty, fine, tax or other amount of money owed to the state or any of its political subdivisions because of a judgment, fine, permit violation, license assessment, defaulted workers' compensation premium, penalty or other assessment presently delinquent or due and required to be paid to the state or any of its political subdivisions, including any interest or additional penalties accrued thereon.

"Debtor" means any individual, corporation, partnership, association, Limited Liability Company or any other form or business association owing a debt to the state or any of its political subdivisions. "Political subdivision" means any county commission; municipality; county board of education; any instrumentality established by a county or municipality; any separate corporation or instrumentality established by one or more counties or municipalities, as permitted by law; or any public body charged by law with the performance of a government function or whose jurisdiction is coextensive with one or more counties or municipalities. "Related party" means a party, whether an individual, corporation, partnership, association, limited liability company or any other form or business association or other entity whatsoever, related to any vendor by blood, marriage, ownership or contract through which the party has a relationship of ownership or other interest with the vendor so that the party will actually or by effect receive or control a portion of the benefit, profit or other consideration from performance of a vendor contract with the party receiving an amount that meets or exceeds five percent of the total contract amount.

EXCEPTION: The prohibition of this section does not apply where a vendor has contested any tax administered pursuant to chapter eleven of this code, workers' compensation premium, permit fee or environmental fee or assessment and the matter has not become final or where the vendor has entered into a payment plan or agreement and the vendor is not in default of any of the provisions of such plan or agreement.

Under penalty of law for false swearing (West Virginia Code §61-5-3), it is hereby certified that the vendor affirms and acknowledges the information in this affidavit and is in compliance with the requirements as stated.

WITNESS THE FOLLOWING SIGNATURE

Vendor's Name: Southwestern Appraisal Company

Authorized Signature: [Signature] Date: 11/28/11

State of Va

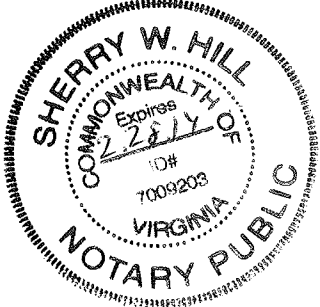
County of Roanoke, to-wit:

Taken, subscribed, and sworn to before me this day of 11.28, 2011.

My Commission expires 2.28, 2014

AFFIX SEAL HERE

NOTARY PUBLIC Sherry W Hill



Purchasing Affidavit (Revised 12/15/09)

Appendix 1

MED12010

Nursing Homes To Be Appraised

State Fiscal Year 12

NURSING HOMES FACILITY	Location
Sun Bridge Care & Rehab - Parkersburg	Parkersburg
Sun Bridge Care & Rehab - Dunbar	Dunbar
Sun Bridge Care & Rehab - Glenville	Glenville
Sun Bridge Care & Rehab - Pine Lodge	Beckley
Sun Bridge Care & Rehab - Putnam	Hurricane
Sun Bridge Care & Rehab - Salem	Salem
Clarksburg Nursing & Rehabilitation Center	Clarksburg
Fayette Nursing & Rehabilitation Center	Fayetteville
E. A. Hawse Nursing & Rehabilitation Center	Baker
Lincoln Nursing & Rehabilitation Center	Hamlin
Cameron Nursing & Rehabilitation Center	Cameron
McDowell Nursing & Rehabilitation Center	Gary
Summers Nursing & Rehabilitation Center	Hinton
Wayne Nursing & Rehabilitation Center	Wayne
Webster Nursing & Rehabilitation Center	Cowen
Wyoming Nursing & Rehabilitation Center	New Richmond
Ansted Center	Ansted
Arbors at Fairmont, The	Fairmont
Barbour County Good Samaritan	Belington
Golden Living Center - Glasgow (Beverly HCC)	Glasgow
Bishop Joseph H. Hodges C.C.C.	Wheeling
Boone Nursing & Rehab Center	Danville
Braxton Health Care Center	Sutton
Brightwood Center	Follansbee
Mansfield Place (Broadus Hospital)	Philippi
Canterbury Center	Shepherdstown
Oak Ridge Center	Charleston
Carehaven Center	Martinsburg
Carehaven of Pleasants (0002951000)	Belmont
Raleigh Center	Daniels
Sistersville Center	Sistersville
Teays Valley Center	Hurricane
Cedar Ridge Health Care	Sissonville
Cortland Acres Association	Thomas
Crestview Manor	Jane Lew
Mercer Nursing & Rehabilitation Center	Bluefield
Dawnview Center	Fort Ashby
Eldercare of West Virginia (Ripley)	Ripley
Elkins Reg. Convalescent Center	Elkins
Fairhaven Rest Home	Huntington
The Stone Pear Pavillion (Fox Nursing & Rehab Center)	Chester
Glenwood Park	Princeton
Good Shepherd Nursing Home	Wheeling
Grafton City Hospital (Wallace B. Murphy)	Grafton
Grant County Nursing Home	Petersburg
Grant Memorial Hospital	Petersburg
Greenbrier Manor	Lewisburg
Hampshire Health Care Center	Romney
Hampshire Memorial Hospital (0001781001)	Romney
Heartland of Beckley	Beckley
Heartland of Charleston	Charleston
Heartland of Clarksburg	Clarksburg
Heartland of Keyser	Keyser
Heartland of Martinsburg	Martinsburg
Heartland of Preston County	Kingwood

Appendix 1

Heartland of Rainelle	Rainelle
Heritage Inc., The (3810005577)	Bridgeport
Heritage Center (Presbyterian Manor)	Huntington
Hidden Valley Center (Fayette Community HC 0003674000)	Oak Hill
Hilltop Center	Hilltop
Holbrook Nursing Home	Buckhannon
Willow Tree Manor (Blue Ridge Care & Rehab 1001000000)	Charles Town
Laurel Nursing & Rehab Center	Ivydale
Logan Center	Logan
Trinity Health Care of Logan (Logan Park CC 0003949000)	Logan
Madison Center	Morgantown
Maples, The	Bluefield
Huntington Health & Rehabilitation Center (Mariner)	Huntington
Marmet Center (Marmet HCC 0003685000)	Marmet
Meadowbrook Acres Nursing Home	Charleston
Meadowview Manor Health Care Center	Bridgeport
Miletree Center	Spencer
Trinity Health Care Services of Mingo (Mingo HCC 000399100)	Williamson
Mapleshire Nursing & Rehab Center (MonPointe CCC 000345)	Morgantown
Montgomery General Elderly Care Center	Montgomery
Montgomery General Hospital Extended Care Unit	Montgomery
Morgan County War Memorial Hospital	Berkeley Springs
Golden Living Center - Morgantown (Morgan Manor)	Morgantown
Moundview Health Care Center	Moundsville
Minnie Hamilton Health Care Center	Grantsville
Nella's, Inc.	Elkins
Nella's Nursing Home	Elkins
New Martinsville Health Care Center	New Martinsville
Nicholas County Nursing & Rehabilitation Center (0003944000)	Richwood
Ohio Valley Health Care	Parkersburg
Eagle Pointe (Parkview)	Parkersburg
Pendleton Nursing Home	Franklin
Guardian Elder Care @ Wheeling (Peterson Rehab Hosp)	Wheeling
Pineview Continuous Care Center	Harrisville
Pleasant Valley Nursing & Rehab Center	Pt. Pleasant
Pocahontas Center	Marlinton
Princeton Health Care Center	Princeton
Ravenswood Center	Ravenswood
Golden Living Center - Riverside (Riverside NH)	St. Albans
Roane General Hospital	Spencer
Rosewood Center	Grafton
Richwood Area Community Hospital - CLOSED 2/08	0002184005
St. Barbara's Memorial Nursing Home	Monongah
St. Joseph's Hospital of Buckhannon	Buckhannon
Shenandoah Manor of Ronceverte	Ronceverte
Springfield Center	Lindsie
Summers County ARH	Hinton
Summersville Memorial Hospital	Summersville
Sundale Nursing Home	Morgantown
Shenandoah Health Village Center	Charles Town
Valley Haven Geriatric Center	Wellsburg
Valley Center	So. Charleston
Berkeley Springs Rehab & Nursing (Valley View NH)	Berkeley Springs
Weirton Geriatric Center	Weirton
Weirton Medical Center	Weirton
White Sulphur Springs Center	White Sulphur Springs
Willows Center	Parkersburg

Tygart Center (Wishing Well Health Center 0003887000)	Fairmont
Pierpont Center (Wishing Well Manor 0003893000)	Fairmont
Worthington Manor	Parkersburg

Provider	Location
ARC	Dunbar
Autism	Huntington
BU Tennerton	Buckhannon
EPTC Northside	Martinsburg
NHS McMechen	McMechen
NHS Raven	Wheeling
NHS Ritz	Wheeling
OA Sixteenth St	Parkersburg
PC Birch	Romney
Potomac Davis	Petersburg
RC Hudson	St. Albans
RC Terra Alta	Terra Alta
RC Woodward Drive	Charleston
REM White	Morgantown
BU Barbour	Buckhannon
EPTC Gaboya	Martinsburg
EPTC Southside	Martinsburg
NHS Russell Nesbitt	Wheeling
OA Fowler	Clarksburg
OA Gihon	Parkersburg
OA Lakeview	Parkersburg
OA Nutter Fort	Nutter Fort
OA Salem	Salem
OA Spring Street	Parkersburg
OA Stonewood	Stonewood
PC Washington	Romney
Pot Center A	Romney
Pot Center B	Romney
Pot Center C	Romney
Potomac Cornell	Keyser
Potomac Franklin	Franklin
RC 1204 Kanawha	Beckley
RC 811 Kanawha	Beckley
RC 8th Ave	Huntington

Appendix I

RC Accoville	Accoville
RC Adamston	Clarksburg
RC Amherstdale	Amherstdale
RC Church Lane	Princeton
RC Cross Lanes	Cross Lanes
RC Duffy Street	Summersville
RC East End	Charleston
RC Fairmont	Fairmont
RC Guyandotte	Huntington
RC Hansford	St. Albans
RC Jackson	Madison
RC Judyville	Lewisburg
RC Kenova	Huntington
RC Main (Old Monticello)	Salem
RC Montvue	Lewisburg
RC Oak Hill	Oak Hill
RC Old Bluefield	Princeton
RC Temple St	Beckley
RC Thompson	Princeton
RC Valley View	Princeton
RC Virginia Ave	Huntington
REM Brookhaven	Morgantown
REM Curtis	Morgantown
REM Flynn	Wheeling
REM GC&P	Wheeling
REM Moundsville	Moundsville
REM New Martinsville	New Martinsville
REM Rockdale	Follansbee
REM Woodcrest	Follansbee
RC Lifestart	Dunbar
RC Monroe Ave (Old Green Acres)	Huntington
RC Sixth Street (Old Green Acres)	Huntington
RC McVeigh Ave (Old Green Acres)	Huntington
RC Chaffin (Old Green Acres)	Lesage
RC McGhee (Old Green Acres)	Lesage