



May 2, 2016

Dr. Moses Haregewoyn
President
Automated Health Systems
505 South High Street, Suite 200
Columbus, OH 43215

RE: Rhode Island RFP No. 7549937

Dear Dr. Haregewoyn:

Thank you for recently clarifying the roles and responsibilities of Automated Health Systems [AHS] employees for this contract with the State of Rhode Island.

In answer to our inquiries, you have stated that:

1. Joseph W. Nocito is not an employee of AHS;
2. Joseph W. Nocito is the Chairman and only board member of the AHS Board of Directors;
3. No AHS employees are members of the AHS Board of Directors;
4. You were appointed president of AHS on September 11, 2015;
5. AHS is 100% owned by an irrevocable trust, with an independent trustee, of which Joseph W. Nocito is the sole beneficiary;
6. Joseph W. Nocito serves as a consultant and advisor to AHS in his capacity as Chairman of the Board;
7. The Board is “actively reconsidering” restructuring to address succession issues, but has no committed timeline for said restructuring.

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Based on the information that you have provided, we are requesting that you provide us with written assurance that AHS will be able to continue to provide the services specified by the contract, even in the event of a change in AHS Board membership and/or company personnel.

Additionally, as part of its request for contractual assurances, the State requires AHS to notify the designated Project Director, Meg Ivatts, in writing of the following:

1. Any changes in company leadership or in the employees who have corporate responsibility for the management of this contract;
2. Any change in AHS Board membership or configuration;
3. Any business changes it makes which will or may impact the management of this contract;
4. If Joseph W. Nocito, the AHS Board Chair, makes any decisions, or takes any action with regards to the performance of this contract;

It is the State's expectation that if any of these events occur, that AHS will notify the State *immediately*.

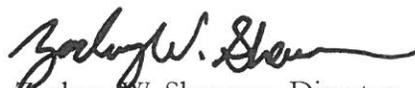
In closing, you have represented that the AHS Board has no timeframe in place for a restructuring to address succession issues, but nonetheless is "actively" considering them. Please keep the State updated with regards to any change in this status.

Thank you for your continued cooperation.

Sincerely,



Elizabeth Roberts, Secretary
Executive Office of Health and Human Services



Zachary W. Sherman, Director
HealthSource RI

cc: Lindsay Lang, Esq.