



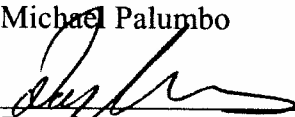
DEPARTMENT OF PROCUREMENT SERVICES

MEMORANDUM

Date: December 27, 2007

To: Dana Stark, Superintendent
Chicago Police Department

Attn: Michael Palumbo

From: 
Douglas W. Yerkes, P.E.
Acting Chief Procurement Officer

Re: Emergency Purchase Authorization

Vendor Number: 50107326 Amount: \$181,573.00
PO Number: 16725 RX Number: 36408

Pursuant to Section 2-92-644 of the Municipal Purchasing Act, I am authorizing you to make an Operational Emergency purchase from Mercy Hospital & Medical Center d/b/a Mercyworks Occupational Medicine, based upon information received from members of your staff, I have determined that this contract is necessary.

You are hereby authorized to make payment for verified performed services for 'Medical & Physical Examinations' in the amount of \$181,573.00 as requested in your letter dated November 14, 2007. Any amount in excess of the \$181,573.00 herein will be subject to additional authorization and will be limited so as not to exceed the \$250,000.00 limit established by statute.

cc: Mark Hands
Claude Humphrey
Police – Michael Palumbo
Scan
File (Specification Number: 62780)





Richard M. Daley
Mayor

Department of Police • City of Chicago
3510 S. Michigan Avenue • Chicago, Illinois 60653

Dana V. Starks
Interim Superintendent of Police

December 27, 2007

Doug W. Yerkes P.E.
Acting Chief Procurement Officer
Department of Procurement Services
City Hall Room 403

ATTN: CLAUDE HUMPHREY

**SUBJECT: OPERATIONAL EMERGENCY FOR
MERCY WORKS INVOICING**

In October of 2005 the City terminated the City wide contract for medical/physical examinations with then vendor U.S. Occupational Services for fraudulent practices. An immediate Request for Proposal was generated and a new contract was awarded in April of 2006 to Advocate Health & Hospital Corp., Purchase Order Number 11721. During the lapse in contract all City departments utilizing the terminated contract attempted to execute an interim solution with Mercy Works Occupational Medicine, but, unfortunately, the City wide request did not get finalized.

In May of 2007, this department's Medical Section informed the Bureau of Administrative Services Finance Division that there were still unpaid billing to Mercy Works Occupational Health, the company that provided required exams during the lapse of this contract. Upon receipt and review of the invoicing provided, it was discovered that many discrepancies in the billing were present. For example, every invoice included a charge for Sickle Cell blood test, which is race specific. This resulted in the need for each of the nearly 3000 individual tests conducted on the examined applicants and incumbents, to be reviewed and verified manually. In December of 2007 all billing was resolved.

It has been concluded that the Police Department owes Mercy Works Occupational Health \$181,573.00 in verified payments.

It is respectfully requested that an Operational Emergency be granted to allow for payment for the billing that occurred during the lapse of this service.

Your attention to this matter is greatly appreciated.

Sincerely,

A handwritten signature in black ink, appearing to read "Marvin J. Shear".

Marvin J. Shear
Assistant Deputy Superintendent
Bureau of Administrative Services
Chicago Police Department