

 HAWAII HEALTH SYSTEMS CORPORATION <i>"Touching Lives Everyday"</i>	Department: Corporate Finance	Policy No.: PUR 0023
		Revision No.: 1
Policies and Procedures	Issued by: Kelley Roberson COO & CFO	Effective Date: October 1, 2007
	Approved by: Thomas M. Driskill, Jr. President & CEO	Supersedes Policy: November 1, 2006
Subject: <i>Authority to Procure Professional Services</i>		Page: 1 of 11

- I. **PURPOSE:** To establish procedures for the procurement of professional services through non-competitive negotiations.
- II. **POLICY:** Regardless of the dollar value of services required, facilities within the Hawaii Health Systems Corporation (HHSC) must procure professional services furnished by architects and engineers from the qualified HHSC Professional Services list in accordance with the procedures listed below or by Emergency Procurement procedures. (Reference HRS 103D-304 & 307; HAR §3-122-63:67; and HHSC Policy PUR 04*).

All other Professional Services may be procured using the qualified HHSC Professional Services lists in accordance with the procedures listed below or through other procurement procedures. (Reference HRS 103D-302 -307; HAR §3-122; and HHSC Policies PUR 0002, 0003, 0004, 0005, 0016 & 0017*)

III. **PROCEDURE:**

A. **Review Committee/Categorical Listing or Professionals**

1. The Contract Manager shall notify the Executive Management Team (EMT) of the impending solicitation of Professional Services vendors. The EMT shall inform the Contract Manager of desired professional services categories anticipated for the coming year.
2. At least once annually, HHSC will publish a public notice inviting submission of statements of qualifications and expressions of interest from providers of various professional services anticipated to be needed during the fiscal year. The various professional services shall be grouped into three (3) categories:
 - Architects and Engineers
 - Medical, Hospital, Dental and Public Health Professionals
 - Miscellaneous Professional Services
3. Contract Manager shall be responsible for receiving submissions from interested providers.
4. At the request of the Contract Manager, submissions by interested providers are reviewed by a Review Committee of no less than three (3) qualified HHSC employees designated by the Chief Procurement Officer (CPO). An affidavit shall be signed by each non-State or HHSC employed member (PUR Form 024). PUR Form 23A. Appointment of Committee Members, shall be completed by the Contract Manager and signed by the CPO. The CPO shall ensure the

- impartiality and independence of the committee members and require submittal of a signed HHSC Affidavit from each member. No CEO, Vice President, or person in an equivalent position is allowed to serve on the Review Committee.
5. As requested by the Contract Manager, a Review Committee shall evaluate all submissions received during the fiscal year for the professional service categories assigned to them. Committees shall compile and/or update a list of qualified professionals using Form PUR 23B "Categorical Listing of Professional Services". Completed Forms shall be sent to the Contract Manager responsible for soliciting statements of qualifications for that service category.
 6. The designated Contract Manager shall notify each professional provider whether the submission was accepted or rejected. The Contract Manager shall maintain a listing, by category, of all qualified professionals along with a corresponding file by category of all submissions.

B. Selection of Professional Services - Nominations

1. When a need arises for a Professional Services vendor, a purchase request form shall be completed (PUR Form 18). Upon request by the Contract Manager, the Technical Representative requesting services shall furnish the names of at least three (3) members to serve on a Selection Committee who have sufficient education, training, licenses and/or credentials in the area of the requested services. If a non-State or HHSC employed selection committee member is chosen, PUR Form 024, Affidavit, shall be completed. The Contract Manager shall submit the PUR Form 23A, Appointment of Committee Members, to the authorizing EMT member for approval.
2. The EMT member or designee authorized to approve the purchase of services, shall appoint a Selection Committee ensuring impartiality and independence of members. Upon appointing committee members, the EMT member shall sign and date Form PUR 23A, Appointment of Committee Members, and submit to the assigned Contract Manager for inclusion in the contract file with a signed HHSC Affidavit from each appointed non-State/HHSC member.
3. The Chairperson of the Selection Committee shall convene the committee and review the evaluation criteria required to nominate, evaluate, and rank qualified professionals as listed on Form PUR 23C - Part I: "Nomination of Providers, Evaluation Criteria & Ranking". The Selection Committee may establish additional criteria to be used, which must be recorded on Form PUR 23C - Part I and modifications must be reviewed by the assigned Contract Manager for compliance with rule and statute before use.
4. The Selection Committee shall review the submissions of all qualified professionals for the service category requested against the evaluation criteria established by the Committee and may conduct confidential discussions with any professional listed provided:
 - a) Discussions are restricted to the services being required and the ability of the professional to provide the services.
 - b) There is no disclosure of any information submitted by competing professionals.
5. Based on their review of submissions, the Committee may nominate a minimum of 3 professionals for evaluation and ranking.

C. Selection of Professional Services – Evaluation & Ranking

1. Each Selection Committee member shall evaluate and rate all nominated professionals using Form PUR 23C Part I as may have been revised under Section B, Item #3 above. Points shall be awarded using whole numbers.
2. The Chairperson shall complete Form PUR 23C - "Part II: Ranking and Summary of Providers" to calculate scores and rank all nominated professionals based on the sum of Committee members' scores for each professional.
3. If two or more professionals have the same score, the Selection Committee shall rank these professionals to ensure equal distribution of contracts among them. The ranking of nominees shall be recorded on Form PUR 23C - "Part II: Ranking and Summary of Providers".
4. The Selection Committee shall list all materials and information used to rank the nominees in the Summary of Qualifications Section and submit the completed Form PUR 23C -Part II to the assigned Contract Manager for use in conducting negotiations.
5. The Selection Committee shall conduct its work in collaboration with the Contract manager to ensure regulatory compliance.

D. Selection of Professional Services - Negotiations

1. The Contract Manager or designee shall notify and enter into confidential negotiations with the first ranked professional on the Selection Committee's list. If a satisfactory contract cannot be negotiated with the first ranked professional, negotiations with that professional shall be formally terminated and negotiations with the second ranked professional on the list shall commence. The contract file shall include, from the Contract Manager or designee, documentation to support selection of other than the first ranked and/or next ranked professional.
2. Negotiations shall be completed when the Contract Manager or designee determines that a fair and reasonable cost is established for the scope of services needed by the requestor. The Contract Manager or designee shall document this determination with a memo to file.
3. Should negotiations with all ranked professionals fail, the Contract Manager or designee shall notify the Chairperson of the Selection Committee to furnish and rank at least three additional professionals. The Chairperson shall reconvene the Selection Committee and repeat Section C and D above using new forms. This process may be repeated until negotiations are completed.

E. Waiver of Selection Procedures

If there are less than three qualified professionals in the desired category, the selection procedures of this section may be waived upon approval by the CPO or designee and alternative procurement procedures shall be used and properly documented on PUR 015, Alternative Procurement.

IV. APPLICABILITY: All HHSC facilities and HHSC Corporate staff. Once a Regional System Board has adopted procurement policies and is overseeing procurement in the region, utilization of this policy as a method of procuring professional services will no longer be mandatory in that region, but will be optional.

V. REFERENCES: HRS 103D and HAR §3-122. Reference to HRS 103D and corresponding administrative rules does not intend to waive any applicable exemption to 103D and the rules.

Attachments:

Form PUR 23A – Appointment of Committee

Form PUR 024 -Affidavit

Form PUR 23B - “Categorical Listing of Professional Services”

Form PUR 23C - “Part I: Nomination of Providers, Evaluation Criteria & Ranking”

Form PUR 23C - “Part II: Ranking and Summary of Vendor Qualifications”

Form PUR 015 – Alternative Procurement

PUR 23A: APPOINTMENT OF COMMITTEE MEMBERS

EVALUATION COMMITTEE

☐

SELECTION COMMITTEE

☐

CATEGORY OF PROFESSIONAL SERVICE: ☐ A&E ☐ HMD&PH ☐ MISC

MEMBER <u>Name, Position,</u> <u>Department, Facility</u>	QUALIFICATIONS	AFFIDAVIT SUBMITTED	APPROVED
		☐	☐
		☐	☐
		☐	☐
		☐	☐
		☐	☐

Signature

Date

Printed Name

Position

Evaluation Committee members must be approved by the Chief Procurement Officer. Selection Committee members are approved by the authorizing Executive Management Team (EMT) member.

**HAWAII HEALTH SYSTEMS CORPORATION
AFFIDAVIT OF NONGOVERNMENTAL EMPLOYEE
SERVING ON AN EVALUATION, REVIEW, OR SELECTION COMMITTEE**

Purpose of committee: (check $\sqrt$ one)

- ☐ Evaluation Committee to evaluate request for Proposals No.
(Reference HAR §3-122-45.01)
- ☐ Review Committee to review statements of qualifications and expression of
interest from professional services providers to establish a list of qualified
persons. (Reference HAR §3-122-69).
- ☐ Selection Committee to evaluate the submissions of the persons on the list of qualified persons
against the selection criteria. (Reference HAR §3-122-69).

I, (print name) _____, attest to the following:

1. I have no personal, business, or any other relationship that will influence my decision in the
applicable evaluation, review, or selection process.
2. I agree to not disclose any information on the applicable evaluation, review, or selection process;
and
3. I agree that my name will become public information upon award of the contract.

Signature

Date

PUR Form 024

HAWAII HEALTH SYSTEMS CORPORATION
FORM PUR 23B
CATEGORICAL LIST OF PROFESSIONAL SERVICES

CATEGORY: Please indicate the category list reviewed

☐ 1. Architects & Engineers ☐ 2. Hosp., Medical, Dental, Public Health ☐ 3. Misc. Professional Svcs

REVIEW CRITERIA:

- | | |
|--|---------------------------|
| a) Submission of all requested information. | (Yes/No) |
| b) Professional qualifications and experience. | (Sufficient/Insufficient) |
| c) Past performance on public projects. | (Sufficient/Insufficient) |
| d) Past performance in a hospital setting. | (Sufficient/Insufficient) |
| e) Qualifications of principals and adequacy of human resources. | (Sufficient/Insufficient) |

REVIEW:

PROFESSIONAL FIRM	Service Type	(a)	(b)	(c)	(d)	(e)	Accept
							(Yes/No)

COMMENTS: _____

COMPLETED BY: _____
Reviewer (Signature, Print name: _____) _____ Date _____

HAWAII HEALTH SYSTEMS CORPORATION
FORM PUR 23C-Part I
NOMINATION of PROVIDERS, EVALUATION CRITERIA & RANKING

CATEGORY: Please indicate the category list reviewed

☐ 1. Architects & Engineers ☐ 2. Hosp., Medical, Dental, Public Health ☐ 3. Misc. Professional Svcs

SELECTION CRITERIA:

- | | |
|---|-------------------|
| 1. Proposed project team, professional qualifications, experience, adequate staff | (max ____ points) |
| 2. Past performance on public or private projects with similar scope of services | (max ____ points) |
| 3. Ability to meet project schedule. | (max ____ points) |
| 4. Knowledge of providing services in a Hospital setting | (max ____ points) |
| 5. Other (i.e. unique or innovative methods) | (max ____ points) |

REVIEW:

PROFESSIONAL FIRM	Selection Criteria					Total (100) pts	RANK
	(1) max____pts	(2) max____pts	(3) max____pts	(4) max____pts	(5) max____pts		

COMMENTS: _____

COMPLETED BY: _____

Selection Committee Member Signature (Print Name: _____) Date

HAWAII HEALTH SYSTEMS CORPORATION
FORM PUR 23C – Part II

Ranking and Summary of Vendor Qualifications

CATEGORY: Please indicate the category list reviewed

☐ 1. Architects & Engineers ☐ 2. Hosp., Medical, Dental, Public Health ☐ 3. Misc. Professional Svcs

Project: _____

Description of Project: _____

Estimated Project Cost: _____

Contract Duration (est.): _____

Committee's Recommendation: All vendors recommended below (listed by ranking) have the necessary experience to provide the required services. The vendors were screened, evaluated and selected in accordance with minimum criteria required by State law.

Selection Committee Ranking	Total Points	Summary of Professional Firms' Qualifications/Sources

COMPLETED BY: _____
Selection Committee Chair (Signature) Date

11. ☐ **NO OFFERS WERE RECEIVED OR THERE WERE NO RESPONSIVE AND RESPONSIBLE OFFERS**, and it has been determined that it is neither practicable, nor advantageous to the State/HHSC to issue a new solicitation. The following have been considered (provide an explanation for **each**):

- Time constraints (not applicable to Section 103D-304, HRS, professional services)
- Competition in the marketplace
- It is anticipated that additional potential cost of re-solicitation will exceed benefits associated with the solicitation process.

Based on the above, an alternative procurement method, specifically direct negotiations, will be conducted for this procurement.

12. Direct questions to:

Phone:

13. *I certify that the information provided above is to the best of my knowledge, true and correct.*

Department Head Signature

Date

Print Name

This document shall be made a part of the contract file.

14. Chief Procurement Officer's Comments:

☐ APPROVED ☐ DISAPPROVED

☐ NO ACTION REQUIRED

Chief Procurement Officer

Date

PUR Form 015 11/06