

**HAWAII HEALTH SYSTEMS CORPORATION  
NOTICE OF AND REQUEST FOR EXEMPTION  
FROM CHAPTER 103D, HRS**

**EX Number: 007**

<b>1. TO:</b>	Chief Procurement Officer		
<b>2. FROM:</b>	A.A. Stransky		
Department/Division/Agency Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:			
<b>3. Description of goods, services or construction:</b> Physician services related to Fitness-for-Duty evaluations, Sick-Call evaluations, and Independent Medical Exams. The contracts will be with individuals, groups, or other legal entities supplying physician services.			
<b>4. Name and Address of Vendor:</b> Multiple		<b>5. Price:</b> \$500,000.00 aggregate for three agreements for a five-year term	
<b>6. Term of Contract:</b> From: various To: to December 31, 2020		<b>7. Prior Exemption Ref. No.</b> EX-06-35	
<b>8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:</b> It is neither practical nor advantageous to the HHSC to perform a competitive solicitation. Previous solicitations seeking physician services have been unsuccessful; Physicians generally do not respond to procurement solicitations. Due to the high cost of living in Hawaii and the rural location of many of the HHSC facilities it has been very difficult to attract physicians to HHSC.			
<b>9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:</b> Direct negotiations with each physician, and a Fair Market Value analysis for each physician agreement, is required prior to establishing a contract.			
<b>10. A description of the agency's internal controls and approval requirements for the exempted procurement:</b> The HHSC Corporate Compliance Officer and HHSC General Counsel review and approve all physician agreements prior to award.			
<b>11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:</b>			
Name	Position	Involvement in Process	
A.A. Stransky	Corporate Contracts Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Lance K. Segawa	Interim HR Director	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Edward N. Chu	HHSC CFO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:

Contact Name: Alison Stransky  
Phone Number: 808-733-9074

Agency shall ensure adherence to applicable administrative and statutory requirements

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

Sam K. Segawa 3/14/14  
Department Head (Print: ) Date

Reserved for CPO/Delegee Use Only

14 .Date Notice Posted: MARCH 14, 2014

The CPO is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days or as otherwise allowed from the above posted date to: Chief Procurement Officer, HHSC, 3675 Kilauea Ave., Honolulu, Hawaii 96816

Chief Procurement Officer's comments:

15.  APPROVED

DISAPPROVED:

NO ACTION REQUIRED

Edward M. Ch...  
HHSC Chief Procurement Officer - Signature

3-20-14  
Date