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

EX Number: EX-020

1. TO: Chief Procurement Officer

2. FROM: Pat Holiday

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:

3. Description of goods, services or construction: RevSpring Services, Inc. provides basic service components for HHSC guarantor billing statements/letters and mailings. Patient Statements include payment coupon and OCR for lockbox processing.

4. Name and Address of Vendor: RevSpring Services, Inc.
   2345 Gratiot Road,
   Newark, Ohio 43056

5. Price: $300,000.00


8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:
   In 2008, RevSpring Services (then Professional Systems Corporation, or PSC Information Group) was selected via competitive means to provide HHSC patient (Guarantor) statements and related services, and has since that time established a proven effective track record. Additionally, since, 2011, when HHSC began its Electronic Medical Record implementation, the vendor has worked with HHSC regional staff to ensure an uninterrupted and seamless transition of the service, as HHSC facilities are transitioned to a new Information System -- a process that is expected to continue for the next two years. Because the decision to rebid is at least a year away, and there are not remaining renewal options available to extend the formally competed agreement, and based upon the continuity that the vendor provides at this time of transition, it is neither practical nor advantageous for HHSC to devote resources to re-bid and to hire a new vendor to provide the required service, nor would it be practical to establish a new contractual relationship with another vendor at this juncture.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: Direct negotiations and contracting with RevSpring will be conducted, and no formal solicitation will be performed at this time. Periodically, within the term of this exemption and/or upon renewal of the exemption, HHSC will review its patient statements requirements to determine if the business and technology needs are sufficient to warrant a rebid of the Patient Statements contract.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
   The Exemption Request is reviewed by HHSC corporate director of contracts management and then forwarded to the HHSC CPO in accordance with HHSC policies and procedures. The President and CEO of HHSC (or his delegated CPO) approves the exemption in accordance with internal procurement policies and procedures.

11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Approval</th>
<th>Administration of exemption process</th>
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<tbody>
<tr>
<td>Joe Evanoff</td>
<td>Director Contracts/Materials Management</td>
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<td>Andrew Alvarez</td>
<td>Sr. Contracts Manager</td>
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<td>Pat Holiday</td>
<td>Applications Programmer, Information Systems</td>
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<tr>
<td>Jeff Ellers</td>
<td>HHSC Chief Information Officer</td>
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<td>Edward N. Chu</td>
<td>HHSC Chief Financial Officer</td>
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HHSC PUR Policy 0017
Rev. 1-30-12
PUR 007
12. Direct Inquiries to:

Contact Name: Andrew Alvarez
Phone Number: 808 873-3533

Agency shall ensure adherence to applicable administrative and statutory requirements

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

Department Head (Print: JEFF EILERS) 11/22/14
Date

Reserved for CPO/Delegate Use Only

14. Date Notice Posted: 11/22/14

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

HHSC Chief Procurement Officer - Signature 12/3/14
Date

HHSC PUR Policy 0017 Rev. 1-30-12 PUR 007