

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

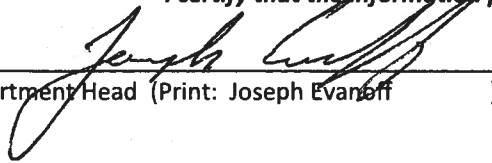
EX-028

1. TO: Chief Procurement Officer	
2. FROM:	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:	
3. Description of goods, services or construction: Vendor provides a web-based portal through which hospitals can acquire traveler nurses and allied healthcare providers as well as mid-levels including PA's and APRN's, and locum tenens physicians.	
4. Name and Address of Vendor: Medefis Inc. 10826 Old Mill Rd # 101, Omaha, NE 68154	5. Price: Estimated \$25,000,000.00
6. Term of Contract: From August 1, 2015 To July 31, 2016 plus four 1-year options	7. Prior Exemption Ref. No. None
<p>8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:</p> <p>In October, 2013 HHSC conducted a competitive solicitation for the services of a vendor to provide a web-based portal through which HHSC hospitals could acquire traveler nurses, allied healthcare providers, mid-level providers such as PA's and APRN's, and locum tenens physicians. The HHSC solicitation specifically required vendors be able to provide locum tenens physicians and certify and guarantee this capability in their proposal submission.</p> <p>An award was made to the incumbent vendor in September, 2014. Several months after award HHSC discovered that the incumbent had misrepresented their capabilities with respect to locums, therefore HHSC must terminate the agreement for default. HHSC wishes to avoid a costly, time consuming re-procurement since it very recently has conducted an exhaustive 11-month solicitation cycle which evaluated the industry's leading vendors as well as smaller, newer providers. HHSC wishes to award to the solicitation's second-ranked vendor, Medefis Inc. For reasons stated it is neither practical nor advantageous to HHSC or the State to conduct another RFP at this time.</p>	
9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: See above, fair and open competition was recently held via HHSC RFP 14-007, over an 11-month period, from October 2013 to September, 2014.	
<p>10. A description of the agency's internal controls and approval requirements for the exempted procurement:</p> <p>This exemption shall be from HRS, Section 103D source selection methods noted under Part III; all other guidelines, rules and policies under chapter 103D shall be upheld. HHSC policies and procedures will be followed and periodic reviews of contract action will be performed.</p>	
11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:	
Name	Position
Joe Evanoff	Director Contracts/Materials Management
A.A. Stransky	Corporate Contracts Manager
Edward N. Chu	HHSC CFO
	Involvement in Process
	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration

12. Direct inquiries to:

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

13. 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.

 6/25/15
Department Head (Print: Joseph Evans) Date

Reserved for CPO/Delegee Use Only

14 .Date Notice Posted: 6/26/15

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:

Necessary for assurance of continued patient care in acute facilities.

15. APPROVED


HHSC Chief Procurement Officer - Signature

9/14/15
Date

DISAPPROVED:

NO ACTION REQUIRED