

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

EX Number: EX-060

**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 for HHSC facilities. 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:** \$600,000.00

**6. Term of Contract:** From: December 31, 2016 To: December 30, 2020

**7. Prior Exemption Ref. No.**  
EX-20

**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 system implementation, the vendor has worked with HHSC corporate and regional staff to ensure an uninterrupted and seamless transition of the service, as HHSC facilities have transitioned to a new Information System – a process that continues today. A rebid of these goods and services would not be advantageous to the State because the vendor provides exemplary and cost effective services. A change in providers at this junction would require resources in order to procure and implement a new solution with a new set of technology requirements and as there are no remaining renewal options available to extend the formally competed agreement, and based upon the continuity that the vendor provides at this time of rapid transition, it is neither practical nor advantageous for HHSC to devote resources to implement a new guarantor billing service.

**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 Services 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:**

| Name           | Position                                     | Involvement in Process                       |   |
|----------------|--|--|---|
| Joe Evanoff    | Director Contracts/Materials Management      | <input type="checkbox"/> Approval            | <input checked="" type="checkbox"/> Administration of exemption process |
| Andrew Alvarez | Contracts Manager                            | <input type="checkbox"/> Approval            | <input checked="" type="checkbox"/> Administration of contract file     |
| Pat Holiday    | Applications Programmer, Information Systems | <input type="checkbox"/> Approval            | <input checked="" type="checkbox"/> Administration                      |
| Virginia Robb  | Revenue Cycle Analyst, Information Systems   | <input type="checkbox"/> Approval            | <input checked="" type="checkbox"/> Administration                      |
| Jeff Eilers    | Chief Information Officer                    | <input checked="" type="checkbox"/> Approval | <input checked="" type="checkbox"/> Administration                      |
| Edward N. Chu  | Chief Financial Officer                      | <input checked="" type="checkbox"/> Approval | <input type="checkbox"/> Administration                                 |

12. Direct Inquiries to:

Contact Name: Andrew Alvarez  
Phone Number: 808 873-3503

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.

Department Head (Print: JEFF EILERS)

Date

OCT - 3 2016

Reserved for CPO/Delegee Use Only

14 .Date Notice Posted: 10/4/16

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:

*Services are critical for maintaining cash collections.*

15.  APPROVED

DISAPPROVED

NO ACTION REQUIRED

*Elan N. O.*  
HHSC Chief Procurement Officer - Signature

10/17/16  
Date