

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

EX Number: EX-65

1. TO: Chief Procurement Officer

2. FROM:

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: System agreement for pathology services.

4. Name and Address of Vendor: Pan Pacific Pathologists, LLC
33 Lanihuli Street, Hilo, HI 96720

5. Price: Current NTE = \$21.75M

6. Term of Contract: From: June 30, 2003 To: January 13, 2017

7. Prior Exemption Ref. No.
EX-023

8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State: Contract was awarded as a "Discretionary" procurement in 2003 prior to the time when HHSC was subject to state procurement code HRS §103D. HHSC desires to re-issue a formal RFP for the laboratory services provided under this agreement but must wait until such time that the Maui regional transfer from HHSC to a public/private partnership is completed. HHSC did issue a competitive solicitation for these services in 2012, which was subsequently suspended when all parties, including Offerors, agreed that HHSC was unable to move forward due to the burden of EMR and ICD-10 implementations. The Maui regional transfer is anticipated to take place on July 1, 2017.

HHSC, currently subject to the procurement code, and in conformance with §103DHRS, most recently extended the contract's period of performance by 24-months in order to accommodate the implementation of an EMR system and the upgrade to ICD-10. This short-term, 30-day exemption extension will be followed by a request for a one-year exemption extension in order to complete the Maui transfer, re-issue a competitive solicitation, and award a new contract.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: HHSC full and open competition will resume once HHSC has completed its transfer of the Maui region from HHSC to a public/private partnership and can issue a competitive solicitation and award.

10. A description of the agency's internal controls and approval requirements for the exempted procurement: The exemption request is reviewed by HHSC senior management in accordance with HHSC policies and procedures. The President/CEO of HHSC (or delegated CPO) approves the exemption requests covering more than one facility and in accordance with internal procurement policies and procedures. HHSC policies and procedures will be followed and periodic reviews of the contract action will be performed.

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	
Alison Stransky	Contracts Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Joe Evanoff	Director of Contracts	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Linda Rosen, M.D.	HHSC CEO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:

Contact Name: Alison Stransky
Phone Number: astransky@hhsc.org / 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.


Department Head (Print: Anne Lopez, COO) _____ Date 12/6/16

14 .Date Notice Posted: December 6, 2016

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 REQUIR



HHSC Chief Procurement Officer - Signature

DEC 12 2016

Date