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

E^X 109

1. TO:	Chief Procurement Officer
2. FROM:	Nancy Delima

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: Parties wish to design, seek state and federal approval for and implement a Medicaid managed care physician supplemental payment program, as well as any other Medicaid financing initiatives that would assist HHSC's with Medicaid revenue.

4. Name and Address of Vendor: Seller Dorsey 1635 Market Street, Suite 301, Philadelphia, PA 19103	**5. Price: 500,000**
6. Term of Contract: From: Date of Signature To: Two Year term	**7. Prior Exemption Ref. No. None**

8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:

Sellers Dorsey is able to develop a possible solution in regards to each regional environment and their specific needs in correlation with federal requirements. Sellers Dorsey can assist HHSC in responding to new federal requirements regarding managed care as well as potential changes to the Affordable Care Act and Medicaid. Sellers Dorsey is currently providing similar consulting services to Kapiʻolani Medical Specialists (KMS) and University Health Partners of Hawaii (UHP) as well as John A. Burns School of Medicine (JABSOM) to initiate and implement Medicaid payment programs in which HHSC would become part of the initiation. Sellers Dorsey will assist in the development of services as well as model and implement Medicaid financing initiatives including but not limited to a Graduate Medical Education. The current services are being offered to other agencies that have already developed the frame work which will assist HHSC and at this time it would not be in the best interest to seek possible vendors for these specialized services. In the event HHSC determines that services could be obtained by others a Request for Proposal will be initiated upon expiration of any Contract.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: At this time it is not advantageous for HHSC to begin a new formal process due to the specialized services Seller Dorsey can provide. Therefore, HHSC will complete direct negotiations with this vendor and HHSC will review its needs and make a determination if services are still required to warrant a formal bid process.

10. A description of the agency's internal controls and approval requirements for the exempted procurement: The Exemption Request is reviewed by HHSC CPO in accordance with HHSC policies and procedures. The President and CEO of HHSC (or her 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	☐ Approval	☒ Administration
Nancy Delima	Contract Manager	☐ Approval	☒ Administration
Dr. Linda Rosen	HHSC CEO	☒ Approval	☐ Administration
Edward N. Chu	HHSC CFO	☒ Approval	☐ Administration

12. Direct inquiries to:

Contact Name: Nancy Delima
Phone Number: 808-359-0994

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.*

MAR 2 0 2018

_____   _____
Department Head (Linda Rosen, M.D.)   Date

Reserved for CPO/Delegee Use Only

14 .Date Notice Posted:_____

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:**   HHSC Chief Procurement Officer - *Signature*   Date

☐ **NO ACTION REQUIRED**