

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

EX Number: EX-149

1. TO: Chief Procurement Officer

2. FROM: Annie Yonemoto

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: **CMS Cost Reporting Software Licenses**

4. Name /Address of Vendor:
Health Financial Systems (HFS) fka KPMG/CompuMax
8109 Laguna Blvd., Elk Grove, CA 95758

5. Price: **\$ 3,935.00**

6. Term of Contract: **October 1, 2013 - September 30, 2023**
***providing all option years are exercised.**

7. Prior Exemption Ref. No. **EX-094**

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

The Centers for Medicare and Medicaid Services (CMS) mandate that hospitals use cost reporting software that has been approved & authorized by CMS for Cost Report licenses CMS 2552 and CMS 2540. HHSC requires that a vendor not only be authorized by CMS but also be able to provide both of the software licenses. Of the ten vendors on the CMS approved list, only two are able to provide both software licenses; KPMG and HFS. Due to lower pricing HHSC has historically awarded to KPMG/CompuMax. However, in June, 2020 HFS acquired the KPMG CompuMax business.

HHSC is seeking a limited exemption in order to award to vendor HFS as it is currently the only CMS-approved vendor able to furnish both licenses.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

An annual query of CMS-authorized vendors is conducted to seek vendors offering both software licenses.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
This exemption shall be from HRS, Section 103D-303, and 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.

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	
Annie Yonemoto	Dir. Reimbursement & Budget	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Alison Stransky	Contracts Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Edward Chu	Corporate CFO/CPO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:

Contact Name: **Alison Stransky**
Email: Astransky@hhsc.org

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.

ANNIE YONEMOTO

Aug 12, 2020

Department Head (Print: **Annie Yonemoto**)

Date

Reserved for CPO/Delegee Use Only

14. Date Notice Posted: 8/12/20

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 compliance with federal rules and regulations.

15. APPROVED

DISAPPROVED:

NO ACTION REQUIRED

E. N. O.

HHSC Chief Procurement Officer - Signature

Sep 17, 2020

Date