

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: _____

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*

Date

HHSC EXEMPTION REQUEST INSTRUCTIONS
PUR 007 (Rev. 1/30/12)
HHSC PUR 007

HHSC PUR FORM 007- NOTICE OF AND REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS:

A. When Used

This form is used by HHSC Corporate Office and System-Wide procurements to declare that the identified goods, services, or construction are under review for procurement with an exemption under Chapter 103D, HRS. The form will be posted by the HHSC Contract Management office – Alison Stransky, on a designated HHSC public website for seven (7) calendar days.

The procurement **EXEMPTION No. (EX #)** located at the top right of the page is the number that will be assigned by the HHSC Contracts Mgt. Office for record keeping purposes.

B. General

This form has been formatted to be completed, and then printed. The completed and signed exemption request shall be sent to HHSC Director of Contracts & Materials Mgt. for final review and acceptance:

Hawaii Health Systems Corporation

Contracts Department
Attn: Joe Evanoff
jevanoff@hhsc.org
3675 Kilauea Avenue
Honolulu, HI 96816

C. Form Item Usage

BOX No 1. To. The form is submitted to the Chief Procurement Officer (CPO) **after** review by HHSC Director of Contracts.

BOX No 2. From Department. The name of the department or organization that is requesting the purchase exemption from HRS Chapter 103D.

BOX No 3. Description of the goods, services, or construction. Provide a brief, concise description. The description should be limited to the actual good, service, or construction and not how or why it is being requested.

BOX No 4. Vendor, Address. The name and address of the vendor that is to provide the goods, services, or construction. If this request involves multiple vendors, please attach a separate sheet providing the required information or each vendor.

BOX No 5. Price. Please provide the total price for the goods, services, or construction. If not known, provide an estimated amount.

BOX No 6. Terms of Contract. The FROM and TO dates associated with the purchase exemption, format = mm/dd/yyyy. The start date **cannot** be earlier than the date approved by the CPO. If this is a “one-time purchase,” designate this in the space

BOX No 7. Prior Exemption Reference No. If a similar request was previously submitted to the HHSC, please provide the number that was assigned to the prior request by the HHSC. HHSC Contract Management Dept. will provide Exemption # for “new” Exemptions.

- BOX No 8. Explanation by procurement by competitive means is either not practicable or advantageous to the State.** The HHSC or requestor must explain why it is not practicable or advantageous to procure the goods, services, or construction by competitive means. The fact that a vendor has prior knowledge or experience is not, by itself, sufficient to justify the exemption. Also, statements such as, "There are no other vendors that have the specialized knowledge to provide the good, services, or construction" must be supported with facts.
- BOX No 9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable.** The HHSC requestor must provide how the vendor was or will be selected. If not issuing a public notice, describe how vendors will be notified and afforded the opportunity to provide the goods, services, or construction as practicable. If direct negotiation with a single vendor, provide the determination for not allowing open competition.
- BOX No 10. A Description of the HHSC's internal controls and approval requirements for the exempted procurement.** Provide a description on the HHSC's processes for review and approvals for the exempted good, service or construction.
- BOX No 11. A list of HHSC personnel, by position, who will be involved in the approval process and administration of the contract.** List the name(s) of personnel who will be responsible for the approval and administration of the exempted good, service, or construction.
- BOX No 12. Direct any inquiries to.** The name of the contracts/purchasing department or HHSC Technical Rep, contact person, contact telephone and fax number to which questions regarding the Notice of and Request for Exemption From Chapter 103D, HRS, are to be directed.
- BOX No 13. Certification by Department Head.** The Department Head or designee by written delegation must certify the information in the request by signing and dating the request.
- BOX No 14. Date Notice Posted/Process to Submit Written Objections/CPO's comments.**
- a. Date notice posted is the date that the Notice of Exemption Form HRS Chapter 103D was posted on the HHSC website by the HHSC Contract Mgt. Office.
 - b. The process to submit written objections is provided. Written objections will be received up to the deadline by the CPO.
 - c. The CPO may provide comments/explanations/conditions to an approved or disapproved request.
- BOX No 15. Approved/Disapproved/No Action Required.** Reserved for the CPO to check the appropriate box, sign, and date the request.

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