

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

EX -170

1. TO:	Chief Procurement Officer		
2. FROM:	Anne Lopez, General Council		
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: Various Specialized Legal Services			
4. Name and Address of Vendor: Multiple Vendors-See Section 8			5. Price: Estimated combined Aggregate \$2,000,000.00 per year.
6. Term of Contract: From: September 13, 2022 To: September 12, 2023			7. Prior Exemption Ref. No. None
8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:			
<p>HHSC seeks a partial Exemption pertaining to the second step in numerically Ranking qualified Professional Services (PS) solely related to unique or highly specialized Legal Services. Prior to each fiscal year, HHSC publically post our anticipated legal services, inviting law firms to respond with their Letter of Interest and Statement of Qualifications (SOQ's). Law firm submissions in response to this annual invitation are then evaluated and if deem qualified, firms or individual attorneys are placed on HHSC approved vendor list in Step 1 of the professional services process.</p> <p>Step 2 of the PS process requires a numeric ranking of 3 or more individual law firms from the approved PS List. It is not advantageous or practicable for HHSC to rank firms for specialized legal services, therefore, HHSC is seeking exemption from Step 2 of the ranking process. This Exemption is justified by HHSC's need to make multiple awards for a wide range of legal expertise. All law firms qualified through the Step 1 process to be on the FY2018 PS List may be awarded a contract based on their areas of legal expertise. HHSC legal requirements may include labor and employment law, construction arbitration, investigations, administrative proceedings, conservatorships, guarantorships, guardianships, certificates of need, medical malpractice, medical staff bylaws, medical staff policies, medical staff issues including membership, credentialing, privileging, corrective action, medical litigation for matters not covered by insurance such as subpoenas and Temporary Restraining Orders, corporate and contracts law, physician financial arrangements (PFA's), Starke Law and Anti-Kickback Statutes, fair market value for PFA's and medical practice leases, EMTALA, HIPAA, the Affordable Care Act and HITECH.</p> <p>Because all law firms who are qualified through the Step 1 process may receive a contract award tailored to their areas of expertise, it is a redundant process to rank all the law firms for their expertise in all of the above areas of legal expertise. It is not advantageous for HHSC to rank a law firm that is identified as having expertise in construction contracting against criteria for law firms that are recognized as having expertise in medical staff bylaws. Throughout the calendar year HHSC publicly posts its invitation to make application for the HHSC Professional Services List and continuously reviews all applicants using the PS Step 1 evaluation of Letters of Interest and Statements of Qualifications. Additional law firms will be added to the HHSC PS List.</p>			
9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: Direct negotiation with each legal firm or attorney on HHSC approved vendor list as the need may arise. Prior to the beginning of each FY and then possibly throughout the calendar year HHSC reviews the list of qualified firms/attorneys and if necessary HHSC will posts its Professional Services seeking Letters of Interest and Statements of Qualifications.			
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 "Ranking" 3 or more specialized legal services. 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:			
<i>Name</i>	<i>Position</i>	<i>Involvement in Process</i>	
Nancy Delima	Director Contracts	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Anne Lopez	General Counsel	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration

12. Direct inquiries to:

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

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: _____) Date _____

Reserved for CPO/Delegee Use Only

14 .Date Notice Posted:7/19/2022

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**



HHSC Chief Procurement Officer - *Signature*

Aug 24, 2022

Date

DISAPPROVED:

NO ACTION REQUIRED