

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

**EX -180**

<b>1. TO:</b> Chief Procurement Officer													
<b>2. FROM:</b>	Tammy Dumlao, Director of Revenue Cycle												
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:													
<b>3. Description of goods, services or construction:</b> Various Specialized Account Resolution Services													
<b>4. Name and Address of Vendor:</b> Multiple Vendors-See Section 8	<b>5. Price:</b> Estimated combined Aggregate \$3,900,000 per year.												
<b>6. Term of Contract:</b> From: May 4, 2023 To: May 23, 2024	<b>7. Prior Exemption Ref. No.</b> None												
<p><b>8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:</b></p> <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 Account Resolution Services. Prior to each fiscal year, HHSC publically post our anticipated Account Resolution services, inviting Account Resolution businesses to respond with their Letter of Interest and Statement of Qualifications (SOQ's). Account Resolution businesses submissions in response to this annual invitation are then evaluated and if deemed qualified, Account Resolution businesses are placed on HHSC approved vendor list in Step 1 of the professional services process.</p> <p>Account resolution services are currently being provided by Xtend Healthcare, Healthcare Resource Group, Aargon Agency Inc. , EOS Healthcare, and Med-Data Incorporated.</p> <p>Step 2 of the PS process requires a numeric ranking of 3 or more individual Account Resolution businesses from the approved PS List. It is not advantageous or practicable for HHSC to rank Account Resolution businesses, 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 Account Resolution scenarios and EMR IT systems. All Account Resolution businesses qualified through the Step 1 process to be on the FY2018 PS List may be awarded a contract based on their areas of Account Resolution expertise. HHSC Account Resolution requirements may include Investigations, corrective action, medical analysis for matters not covered by insurance such as HIPAA, the Affordable Care Act and HITECH.</p> <p>Because all vendors 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 Account Resolution businesses for their expertise in all of the above areas of Account Resolution expertise. 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 Account Resolution businesses will be added to the HHSC PS List.</p>													
<p><b>9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:</b> Direct negotiation with each Account Resolution businesses 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 Account Resolution businesses and if necessary HHSC will posts its Professional Services seeking Letters of Interest and Statements of Qualifications.</p>													
<p><b>10. A description of the agency's internal controls and approval requirements for the exempted procurement:</b></p> <p>This exemption shall be from HRS, Section 103D-303 "Ranking" 3 or more Account Resolution businesses. 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.</p>													
<p><b>11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:</b></p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;"><i>Name</i></th> <th style="text-align: left;"><i>Position</i></th> <th colspan="2" style="text-align: right;"><i>Involvement in Process</i></th> </tr> </thead> <tbody> <tr> <td>Nancy Delima</td> <td>Director Contracts</td> <td style="text-align: center;"><input type="checkbox"/> Approval</td> <td style="text-align: center;"><input checked="" type="checkbox"/> Administration</td> </tr> <tr> <td>Tammy Dumlao</td> <td>Director of Revenue Cycle</td> <td style="text-align: center;"><input checked="" type="checkbox"/> Approval</td> <td style="text-align: center;"><input type="checkbox"/> Administration</td> </tr> </tbody> </table>		<i>Name</i>	<i>Position</i>	<i>Involvement in Process</i>		Nancy Delima	Director Contracts	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration	Tammy Dumlao	Director of Revenue Cycle	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
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12. Direct inquiries to:

Contact Name: Jeff Saito  
Phone Number: 808-269-1962

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: 04/25/2023**

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 REQUIRED

\_\_\_\_\_  
HHSC Chief Procurement Officer - Signature      Date \_\_\_\_\_

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

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**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](mailto: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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