

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

**EX - 186**

<b>1. TO:</b> Chief Procurement Officer	
<b>2. FROM:</b> Carol Dunigan/ A.A. Stransky	
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>	
<p><b>1. Compliance consulting services including Fair Market Value determinations for physicians and other healthcare providers, and property for lease or purchase;</b></p> <p><b>2. Compliance Training;</b></p> <p><b>3. Physician Financial Arrangements: Analysis and consultation for HHSC's Legal Counsel's determination of whether a PFA has violated fraud &amp; abuse laws, regulations, Stark Act;</b></p> <p><b>4. Review and Audit of the existing compliance and utilization review policies &amp; procedures.</b></p>	
<b>4. Name and Address of Vendor:</b> PYA, PC, 2220 Sutherland Ave, Knoxville, TN 37919	<b>5. Price:</b> \$430,000.00 each
<b>6. Term of Contract:</b> From: Est. 9/1/23 To: 8/30/28	<b>7. Prior Exemption Ref. No.</b> None None
<b>8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:</b>	
The historical procurement method used by HHSC to obtain services of vendor PYA was the Hawaii State Professional Services (PS) method. This procurement method requires a minimum of three (3) qualified vendors to be on the approved HHSC PS List. At this time, due to lack of response from the vendor community, the minimum number of vendors cannot be met, however HHSC has an on-going operational need for vendor's services.	
<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>	
HHSC will continue to solicit for qualified vendors by means of the Professional Services procurement method.	
<b>10. A description of the agency's internal controls and approval requirements for the exempted procurement:</b>	
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.	
<b>11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:</b>	
<i>Name</i>	<i>Position</i> <span style="float:right"><i>Involvement in Process</i></span>

A.A. Stransky	Sr. Corp. Contracts Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Carol Dunigan	Corp. Compliance & Privacy Officer	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Edward N. Chu	HHSC CEO & CPO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct Inquiries to:

Contact Name: Allison Stransky  
Email: astransky@hhsc.org

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.

*CD* Aug 28, 2023  
Department Head (Print: Carol Dunigan) Date

Reserved for CPO/Delegee Use Only

14. Date Notice Posted: 8/29/23  
~~8/24/23~~

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:

Services are critical for compliance with healthcare laws and regulations.

15.  APPROVED

DISAPPROVED:

NO ACTION REQUIRED

*Ed N. Chu*  
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HHSC Chief Procurement Officer - Signature

Nov 17, 2023  
\_\_\_\_\_  
Date