

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

EX Number: EX-220

1. TO: Chief Procurement Officer

2. FROM: Margaret Leong, Assistant General Counsel

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: Hawaii Health Information Exchange (HHIE) provides HHSC with a secure electronic network needed in order to satisfy Meaningful Use (MU) objectives of its electronic health records (EHR) implementation such that its providers and patients are able to securely store, view, download, or transmit Protected Health Information (PHI).

4. Name and Address of Vendor: Hawaii Health Information Exchange (HHIE)
900 Fort Street Mall, Suite 1305
Honolulu, Hawaii 96813

5. Price: \$600,000.00

6. Term of Contract: From: October 23, 2018 To: October 22, 2021

7. Prior Exemption Ref. No.
EX-011, amended by EX-095

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

Hawaii Health Information Exchange (HHIE) is a non-profit organization made up of representatives from major health care stakeholder organizations and the State of Hawaii and has been designated by the Hawaii State legislature as the sole statewide Health Information Exchange. The HHIE transport interface has since 2014 enabled HHSC to efficiently and securely send Shared Clinical Data, or other Patient Health Information (PHI) to HHIE or to share such information securely through the HHIE system. This secure transport interface provides data encryption to protect confidentiality during transmission or within a secured Virtual Private Network (VPN). University of Hawaii pharmacy program Department of Health, and other participating Hawaii hospitals process data through HHIE.

HHIE provides the resources needed including the HHIE System hardware and software, a secure internet entry portal and procedures for secure transmission of PHI in conformity with HIPAA. The proposed request will allow for up to three, one year annual extensions to the current Data Sharing Agreement and includes funding for annual subscription fees, consulting fees, and any one-time set up fees (e.g., for secure messaging, and interface builds if desired) and related recurring maintenance charges. For the reasons cited above, procurement by competitive means is neither practicable nor advantageous to the State in this instance.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: Due to the reasons outlined in #8 above, direct negotiations with Hawaii Health Information Exchange will be conducted to continue to utilize its secure a provider portal as needed to meet existing and future meaningful use requirements and functional requirements of an electronic health record system.

10. A description of the agency's internal controls and approval requirements for the exempted procurement: The exemption request is reviewed by HHSC senior management in accordance with HHSC policies and procedures. The Corporate CEO of HHSC (or her delegated CPO) approves the exemption requests covering more than once facility and in accordance with internal procurement policies and procedures. HHSC policies and procedures will be followed and periodic reviews of the 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	
Renee Lai	Director of IT Operations	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Margaret Leong	Assistant General Counsel	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Edward N. Chu	HHSC CFO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:

Contact Name: Andrew Alvarez
Phone Number: 808.793.2670

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:)

9/20/2018
Date

14 .Date Notice Posted: 9/20/2018

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



Oct 2, 2018

DISAPPROVED:

HHSC Chief Procurement Officer - Signature

Date

NO ACTION REQUIRED