

EX 07-13

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

1. TO: Chief Procurement Officer

2. FROM: Janice Wakatsuki

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:

Claims filed from March 30, 1998 through March 28, 2007. The scope of services includes the following: Claims administration services for all 12 hospitals and Corporate Office. Includes litigation management, medical management, access to claims management information system and assistance from Constitution State Services' Account Executive, Claim Account Executive, Technical Rep and their Accounting Services.

4. Name of Vendor: Constitution State Services LLC

Address: One Tower Square, Hartford, CT 06183-1190

5. Price:

\$630,000

6. Term of
Contract:

From: Execution

To: 3/28/2017

7. Prior Exemption Ref.
No.

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

Based on the fact that this vendor has current knowledge of the claims in question and it will be cost and operationally prohibitive to bring in another vendor to manage these existing claims.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

The original award was based upon a Request for Proposal. The work covered by this exemption is limited to work conducted under the prior award from the RFP.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

The request for exemption is only for existing claims (not for new claims) and shall be in compliance with Procurement Code 103D.

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	
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:

Department: Contract Manager
 Contact Name: Debra Wessel
 Phone Number: 733-4170
 Fax Number: 733-4460

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.

Janice Wakatsuki Date 4/2/07
 Department Head (Print: Janice Wakatsuki)

Reserved for CPO/Delegee Use Only

14. Date Notice Posted 4-2-07

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

[Signature] Date 04/11/07
 Chief Procurement Officer