

EX 08-003

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

1. TO: Chief Procurement Officer  
2. FROM: **Janice Wakatsuki; Vice President and Director of Human Resources**

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:  <b>Fitness for duty examinations for employees required to see a physician by their respective facilities.</b>		
4. Name of Vendor: <b>Parthenia Medical Group, Inc.</b>  Address: <b>8660 Woodley Avenue North Hills, CA 91343</b>		5. Price:  <b>\$20,000</b>
6. Term of Contract:	From: <b>Upon approval of exemption and execution of contract.</b>	To: <b>Ten years at one (1) year intervals, upon mutual agreement in writing by both parties.</b>
8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State: <b>Fitness for duty examinations are infrequent and difficult to predict but because of Stark, we are required to have a contract in place when paying for physician services. In addition, the time spent to develop an RFP and solicit new vendors may not be worth the staff's time and State resources for these rare exams.</b>		7. Prior Exemption Ref. No.
9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:  <b>Above vendor was selected because of prior working relationship with State agencies, their experience and familiarity with fitness for duty exams, and we are not aware of any negative feedback. In addition, very few companies do IMEs and/or have access to physicians with a variety of specialties. Since this contract will service all islands, very few vendors are able to go to all islands within a reasonable time period to complete required exams. Finally, exams are infrequent so very few companies are willing to accommodate such requests.</b>		

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


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	
Bruce P. Hector M.D.	Medical Director	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Elliot S. Kaye	Executive Director	<input checked="" 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: **Business Office**  
 Contact Name: **Mariana Bartucci**  
 Phone Number: **(818) 894-8171**  
 Fax Number: **(818) 891-9672**

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.*


 Department Head (Print: Janice Wakatsuki ) Date 8/31/07

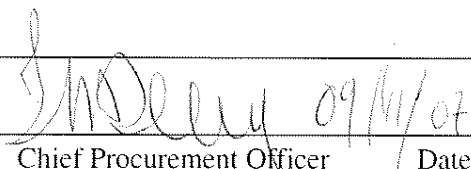
Reserved for CPO/Delegee Use Only

14. Date Notice Posted 9-4-07

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

  
 Chief Procurement Officer Date 09/11/07