

EX 08-006

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

1 TO: Chief Procurement Officer
2 FROM: Patrick Saka, MMMC Chief Operating Officer

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:

Recruitment of physicians for permanent placement with HHSC. Specifically, the vendor shall have expertise and capability to recruit and place physicians including, but not limited to cardiovascular surgery, intervention, or skills related to the establishment or implementation of cardiovascular surgery program.

4 Name of Vendor: SH Consulting LLC

Address: Pauahi Tower, 1003 Bishop Street, Suite 1180
Honolulu, HI 96813

5. Price:

n/a -- amount can be covered under existing NTE in current contract

6 Term of Contract: From: Execution To: March 15, 2008

7. Prior Exemption Ref. No.

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

Cardiovascular surgery is a highly specialized field with a limited number of qualified providers. Those willing to subject themselves to a governmental procurement process and the time in delays required to make a competitive award further limit this subset. Negotiations to entice a qualified and highly regarded practitioner are extremely delicate and not subject to delay or a lengthy or cumbersome process. Because the field of candidates is so limited, and such highly qualified candidates have other options, competition is futile and may jeopardize the State's ability to secure providers of the caliber necessary for the project.

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

Able and qualified recruiters were consulted, however, in this situation it is the qualifications of the physician offered rather than the agency that is the determining factor. As time is of the essence in securing the desired physician in a very dynamic and highly competitive environment, competition is of secondary consideration.

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

The request is first reviewed and approved by the CEO of the Maui Memorial Medical Center. It is then reviewed and approved by the Corporate Contracts Office. Final approval is reserved by the Corporate CEO Chief Procurement Officer

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	
Wesley Lo	CEO MMMC	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Christian Butt	Senior Contracts Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Joe Evanoff	Corporate Contracts Director	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Kelley Roberson	CFO/COO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Thomas Driskill	CEO/CPO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:
 Department: Corporate Contracts
 Contact Name: Christian Butt
 Phone Number: (808) 733-9074
 Fax Number: (808) 733-4460

13. This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: YES NO

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 *[Signature]* ^{COO}
PATRICK S. GALA

Date 10/18/07

Reserved for CPO/Delegee Use Only

15. Date Notice Posted 10-19-07

The Head of the Purchasing Agency 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:

APPROVED DISAPPROVED

Chief Procurement Officer _____ Date _____