

**HAWAII HEALTH SYSTEMS CORPORATION  
NOTICE OF AMENDMENT TO EXEMPTION FROM CHAPTER 103D, HRS, CONTRACT**

1 TO: Chief Procurement Officer

2 FROM: Stephen Wada  
Department/Division/Agency

3. Name of Contractor: Perot Systems

4. P.E. Reference No. 08-017

5. Description of goods, services, or construction:  
Billing and collection services from external contractor.

6. Scope of work for the contract is revised as follows:  
No change to existing scope of work.

Original Contract Price: \$1,500,000.00

Amended Contract Price: \$No Change

7. Reason: This/These amendment(s) are necessary because:  
This amended exemption needed to extend the current exemption term from "end of fiscal year" to August 31, 2009. This will allow enough time for the MedAssets Revenue Cycle System software integration to be up and functional.

8. Direct questions to: Stephen Wada Phone: 808-733-4068

Agency shall ensure adherence to applicable administrative and statutory requirements.

9. *Pursuant to § 103D-102, HRS, and § 3-120-5, HAR, I certify that the information provided above is, to the best of my knowledge, true and correct*



3/25/2009

Department Head

Date

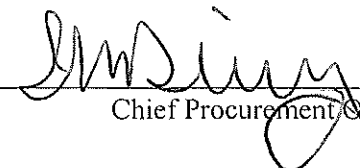
Reserved for CPO/Delegee Use Only

Date Posted: \_\_\_\_\_

11. Submit written objections to this notice of intent to amend a procurement exemption contract within seven calendar days or as otherwise allowed from the above posted date to: Chief Procurement Officer  
HHSC  
3675 Kilauea Ave.  
Honolulu, HI 96816

12. Chief Procurement Officer's Comments:

APPROVED     DISAPPROVED  
 NO ACTION REQUIRED

 08/27/09  
Chief Procurement Officer      Date

EX08-017

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

1 TO: Chief Procurement Officer  
2 FROM: Stephen Wada, Managing Analyst of Revenue Cycle & Compliance

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: External staff to supplement our internal staff to assist in coding, billing, and collections of claims outstanding. Several facilities require short-term external staff to assist with backlogs in coding and /or billing and collections due to vacancies and terminations.	
4. Name of Vendor: 1) Perot Systems – for billing and collections 2) Health Information Resource Group (HIRG) – for coding  Address: 1) Perot Systems 3527 S. Fox Spit Road P.O. Box 848 Langley, WA 98260 2) HIRG P.O. Box 14882 San Francisco, CA 94114	5. Price: \$1,500,000
6. Term of Contract: From: January 15, 2008 To: January 14, 2009	7. Prior Exemption Ref. No.
8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State: The existing healthcare coding backlogs and billing follow-up present an immediate need for additional skilled and qualified staff. The lack of skilled staff in healthcare coding at HHSC may jeopardize federal compliance issues and significantly impede billing efforts. HHSC does not have enough time to hire and train staff therefore the need to supplement existing staff with contracted external staff that is trained and knowledgeable in healthcare coding and billing is critical. Procurement by competitive process will take 3-6 months to complete and will not provide additional qualified candidates, as well as HHSC will not have the opportunity to reduce the backlogs of coding, billing and collection processes by the end of this fiscal year. The HHSC Managing Analyst listed below has concluded that a situation exists for the service listed in this exemption which is not listed in HRS Section 103D-102, and HAR Chapter 3-120, and that procurement by competitive means is either not practicable or not advantageous to the State based upon the specialized healthcare coding, billing and collection requirements.	

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

The vendor(s) must have specialized training and experience in healthcare coding, billing and collections. The term of this exemption is one year from the date of approval of this exemption. The Managing Analyst will re-evaluate the services within the community and other possibilities to determine if any other individual or company could provide the skilled services required, and based upon the available information and research the best procurement practice will be completed in accordance with law.

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

The service listed in this exemption which are not listed in HRS Section 103D-102, and HAR Chapter 3-120, shall be exempt from 103-302 and all other guidelines, rules and policies under 103D shall be upheld. HHSC policies and procedure shall be followed and periodic reviews of contract actions will be completed.

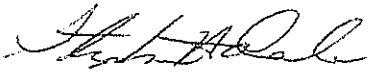
11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

Name	Position	Involvement in Process	
Stephen Wada	Managing Analyst	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Harlan Seo, Hilo	Business Office Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Ginny Robb, Kona	Business Office Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Donna Miller, Kauai	Business Office Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Darryl Ching, Maui	Business Office Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:  
 Department: Corporate Finance  
 Contact Name: Stephen Wada  
 Phone Number: 808 733 4068  
 Fax Number: 808 733 8427

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.

Stephen H. Wada   
 Department Head

January 4, 2008  
 Date

Reserved for CPO/Delegee Use Only

14. Date Notice Posted 1-18-08

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

\_\_\_\_\_  
Chief Procurement Officer      Date

NO ACTION REQUIRED



12. Chief Procurement Officer's Comments:

- APPROVED  DISAPPROVED
- NO ACTION REQUIRED

*[Signature]*      10/27/08  
Chief Procurement Officer      Date