

EX 08-022

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

1. TO: Chief Procurement Officer
2. FROM: Patrick Saka, Chief Operating Office, Maui Memorial Medical Center

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:

Physician practice management consultation.

4. Name of Vendor: SH Consulting, LLC

Address: 1180 Pauahi Tower, 1001 Bishop Street, Honolulu, HI 96813

5. Price:

\$ 100,000 increase in contract
NTE

6. Term of
Contract:

From: 3/15/08

To: 9/15/08

7. Prior Exemption Ref.
No.

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

SH Consulting was awarded a contract (HHSC FY 07-019) for analysis of HHSC physician practice management on 12/15/06, which was subsequently extended until 3/15/08. Due to the complexity of the analysis for Maui Memorial Medical Center, we estimate an additional 6 months is needed to complete the analysis. As SH Consulting has been doing extensive, in-depth analysis for MMMC, it would not be in the best interest of the State to have to "start over" with another company, should the contract have to be put out to bid.

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

We are suggesting the exemption be granted to allow MMMC to continue working with SH Consulting to complete the analysis.

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

This exemption shall be from HRS, Section 103-302 all other guidelines, rules and policies under Chapter 103D shall be upheld. HHSC Polices and procedures will be followed and periodic reviews of contract action 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	
Wesley Lo	Regional Chief Executive Officer	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Patrick Saka	Regional Chief Operating Officer	<input type="checkbox"/> Approval	<input checked="" 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:
 Phone Number: 808-
 Fax Number: 808-442-5462

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.*

 _____ Date 2/21/08

Department Head (Print: Wesley Lo, MMMC CEO)

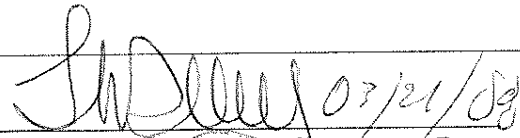
Reserved for CPO/Delegee Use Only

14. Date Notice Posted 3-11-08

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
- NO ACTION REQUIRED

 _____ Date 03/21/08

Chief Procurement Officer