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

1. TO: Chief Procurement Officer
2. FROM: S.WADA, and A.A. STRANSKY
Department/Division/Agency
3. Name of Contractor: Managed Resources, Inc.
4. P.E. Reference No. 09-003A
5. Description of goods, services, or construction:

Services to perform Validation Audits of DRG Medical Coding.

6. Scope of work for the contract is revised as follows:

Services to be performed will remain as stated in the original contract; however the period of performance is required to be extended by 180 days in order to allow completion of competitive solicitation process. Current contract expiry date is December 29, 2010.

Original Contract Price: $250K plus Sup 01 $250K = Amended Contract Price: $750,000.00 $500K

7. Reason: This amendment(s) are necessary because:
HHSC requires uninterrupted validation audit services to be performed as a critical component of revenue cycle. Current agreement provides audits of DRG codes only; an RFP is currently underway to replace this contract and to expand services to include validation audits of all codes (DRG, RUGS, APC, HHRG). New contract award is anticipated for April, 2011.

8. Direct questions to: A.A. Stransky Phone: 808-733-9074
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

[Signature]
Department Head Date (12/17/10)

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:

[Signature] 12/23/10
Chief Procurement Officer Date

HHSC Policy No. PUR 0017 November 1, 2006 PUR 006