

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

1. TO: Chief Procurement Officer re: 2009 EX10-002 2010 EXTENSION AS EX11-003
2011 EXTENSION AS EX11-003B

2. FROM: A.A. Stransky/Contracts Management

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:

HHSC Corporate Finance requires specialized software to access claims at Medicare UGS via DDE. Until very recently Ability Network, Inc., formerly known as VisionShare, was the only provider who had the capability, including hardware replacement cost considerations, required by HHSC to access Medicare UGS. The initial Exemption and first Exemption Extension justifications were based upon this market condition.

4. Name of Vendor: **VisionShare, Inc.**

Address: **2550 University Ave, West, Ste 310 South
St. Paul, MN 55114**

5. Price:
\$6,000.00 per annum 2009-10
\$7,200.00 per annum 2011
\$13,200.00 total NTE

6. Term of Contract: From: Nov. 1, 2009 To: October 31, 2011
Extend to October 31, 2012

7. Prior Exemption Ref.
No. EX10-002
No EX11-003

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

HHSC is currently converting to a new EMR and hospital billing system and as part of the conversion we will be evaluating the revenue management tools provided. We will identify any functional gaps in the claim tracking process and will put together a comprehensive list of requirements for an RFP. Due to the timing of the conversion, we will not be able to complete the evaluation and the requirements list before the Visionshare contract expires, therefore the contract must be extended for 1 more year.

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

UPDATE September 8, 2011

Medicare has in the past but does not currently publish a list of preferred software vendors that provide access to the DDE database. More vendors are now providing electronic access to Medicare and to other payers and their software also includes follow-up tools for more efficient claim tracking. HHSC is currently converting to a new EMR and hospital billing system and as part of the conversion we will be evaluating the revenue management tools provided. We will identify any functional gaps in the claim tracking process and will put together a comprehensive list of requirements for an RFP. Due to the timing of the conversion, we will not be able to complete the evaluation and the requirements list before the VisionShare contract expires, the contract must be extended for 1 more year.

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

This Exemption shall be from HRS, Section 103D-303, and all other guidelines, rules and policies under chapter 103D shall be upheld. HHSC policies and procedures will be followed and periodic reviews of contract action will be performed.

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 S. Anderson	CPO, CEO and President	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Edward N. Chu	Department Head	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Pat Holiday	IS Technical Requester	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Alison Stransky	Contract Manager	<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

12. Direct inquiries to:
 Department: Contracts
 Contact Name: Alison Stransky
 Phone Number: 808. 733-9074
 Fax Number:

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.*

Edward N. Chu

9/8/11

Department Head: Edward N. Chu

Date

Reserved for CPO/Delegee Use Only

9-12-11 EX/1005 B

14. Date Notice Posted October 25, 2010

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

Samuel Holman *9/19/11*
 Chief Procurement Officer Date