

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

1. TO: Chief Procurement Officer
 2. FROM: Jeffrey E. Dansdill, CPPO, CPPB
 Department/Division/Agency
 3. Name of Contractor: Unknown 4. P.E. Reference No. EX 17-096

5. Description of goods, services, or construction:
 Eligibility verification services to determine if the patient is eligible for Medicaid to qualify for the disproportionate share payment adjustment from Medicare. A minimum threshold of 11.75 % DSH is required to qualify HHSC hospitals to participate in the Health Resources & Services Association (HRSA) 340B program.

6. Scope of work for the contract is revised as follows:
 There is no change to the scope of work. The price has increased to reflect market conditions for the required services.
 Original Contract Price: \$10,000.00 Amended Contract Price: \$30,000.00 est.

7. Reason: This/These amendment(s) are necessary because:
 HHSC and the prior identified vendor were unable to reach a contractual agreement in the required timeframe. HHSC will seek other qualified vendors to complete the work in the accelerated timeframe required not to lose the approximate \$4m payment.

8. Direct questions to: Jeffrey E. Dansdill, CPPO, CPPB Phone: 808-657-3721

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

Joseph Evans 11/2/17

 Date

Reserved for CPO/Delegee Use Only

Date Posted: 11/2/17

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: *Critical to maintaining 340B pharmacy savings.*

APPROVED DISAPPROVED
 NO ACTION REQUIRED

E. N. Ch... 11/14/17

 Chief Procurement Officer Date

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

EX - 17-096

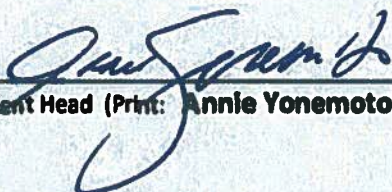
1. TO: Chief Procurement Officer	
2. FROM:	Annie Yonemoto, Director of Reimbursement and Budget
Department/Division/Agency Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:	
3. Description of goods, services or construction: Eligibility verification services to determine if the patient is eligible for Medicaid to qualify for the disproportionate share payment adjustment from Medicare. A minimum threshold of 11.75 % DSH is required to qualify HHSC hospitals to participate in the Health Resources & Services Association (HRSA) 340B program. The work must be completed prior to October 31, 2017.	
4. Name and Address of Vendor: CHANGE HEALTHCARE SOLUTIONS, LLC 3055 LEBANON PIKE STE 1000 NASHVILLE TN 37214-2239	5. Price: \$6,000 (Est)
6. Term of Contract: From: October 9, 2017 To: October 8, 2018	7. Prior Exemption Ref. No. None
8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State: It is not advantageous or practical for HHSC to seek competitive quotes for the required eligibility verifications services as sufficient time does not exist to complete the procurement process, contract with a vendor, and have the work completed prior to October 31, 2017. If the reports are not complete prior to the deadline, HHSC and its hospitals could lose approximately \$4m, significantly affecting patient care at these facilities. HHSC acknowledges a breakdown in its processes by not allowing for adequate time to competitively procure the required services. For future years, procurement staff will work with the department to ensure adequate time is allotted to successfully complete the process. In this instance, this will be accomplished by starting the procurement process immediately after completion of this year's reporting work.	
9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: As discussed above, the work will not be competitively procured. As a result of the short amount of time available to complete the work, the vendor was selected who has experience completing the work for HHSC, and can complete the work in the required timeframe. In addition, the vendor has proven to be reliable and accurate in completing this work in the past, which is critical to ensure the maximum amount of saving to the hospitals. To ensure the pricing to be paid is fair and reasonable, the Director of Reimbursement and Budget will research and ensure the amount to be paid is consistent with past payments for this type of service.	
10. A description of the agency's internal controls and approval requirements for the exempted procurement: This exemption request will be posted and approved in accordance with 130D HRS, giving the public adequate time to comment. If approved, the exemption will be kept in the contract file to ensure compliance and document the reason why a competitive process is not practical. HHSC will follow all other governing laws and HHSC policies.	

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	
Joe Evanoff	Director Contracts/Materials Management	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Annie Yonemoto	Director	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Jeff Dansdill	Contract Mgr	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Edward N. Chu	HHSC CFO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to: Annie Yonemoto Phone Number: 808-733-4155

13. 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 (Print: Annie Yonemoto) 10/2/17 Date

Reserved for CPO/Delegee Use Only

14 .Date Notice Posted: 10/02/17

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:

Services are necessary to maximize reimbursement and lessen dependence on general fund appropriations.

15. APPROVED

DISAPPROVED:

NO ACTION REQUIRED


 HHSC Chief Procurement Officer - Signature 10/11/17 Date