

PROCUREMENT AT HHSC

Welcome to the Hawaii Health Systems Corporation (HHSC) procurement information web site. The following information provides a brief overview of HHSC's purchasing and contracting structure to assist you in understanding HHSC procurement practices and organization.

HHSC cannot operate without obtaining goods, services and construction assistance from private businesses and individuals. Through your participation in an open, competitive procurement process, all HHSC stakeholders benefit. Stakeholders include the State of Hawaii, HHSC, our hospital patients, medical staff, and employees. Quality at competitive prices is the goal of HHSC procurement. Our policies are designed to promote that goal by diligently following fair and open procurement practices while meeting the purchasing needs of a robust health care organization.

HHSC is comprised of four regions and a corporate office. Procurements may be conducted by the Corporate Contract Managers on behalf of all regions; this is referred to as "system-wide" contracting. When standardization initiatives and consolidated purchases can be accomplished more efficiently and for less cost, then a system-wide procurement method is used. The regional hospitals need the flexibility to purchase goods and services that meet the unique needs of the individual medical staffs and patient populations. HHSC region-specific procurement actions are managed by the Regional Contract Managers of the respective regions within HHSC.

The HHSC Corporate and Regional Contract Managers engage in procurement actions upon receiving a fully approved Purchase Request (PR) from the HHSC corporate Technical Representative or regional Technical Representative. HHSC Contract Managers are responsible for the procurement action from the time the specifications are written until the contract has been executed. The regional or corporate Technical Representative is responsible for oversight of vendor performance and invoice approval, however, all contractual issues are managed by the Contract Manager.

The medical/surgical supply chain is typically managed at the regional level, and the Regional Material Managers are generally responsible for the daily operations of high-volume, low-dollar acquisition of goods and services. Regional Material Managers are also responsible for managing orders from existing contracts and group purchasing organizations (GPO's). Additionally, Regional Material Managers oversee inventory, receiving and distribution functions throughout their respective regions, and manage their respective regional supply chain data systems. They work closely with the operations personnel to ensure that the correct purchases are made within the contracted terms, and that GPO usage is maximized.

On behalf of the HHSC Contract and Material Managers, we look forward to working with you.

DOING BUSINESS WITH HHSC

HHSC is a jurisdiction under the State Procurement Office (SPO) Executive Branch department that has delegated Chief Procurement Officer (CPO) procurement authority from the SPO. The Hawaii Public Procurement Code, HRS Chapter 103D (Code) applies to all procurements performed by HHSC system-wide initiatives for purchasing, leasing, or otherwise acquiring goods, services, or construction.

For purchases exceeding \$5,000, the vendor must provide proof that their firm is in compliance with applicable labor and business registration laws. For more information about compliance and how to obtain documentation of compliance, please visit the Hawaii SPO website: <http://hawaii.gov/spo>. In addition, vendors may apply and obtain proof of compliance electronically through the Hawaii SPO “Hawaii Compliance Express” website at <https://vendors.ehawaii.gov/hce/splash/welcome.html>. One interface covers all the forms for all state agencies and partners. Easy to read instructions help make compliance safe, fast and efficient.

Hawaii e-Procurement System (HiePRO): The HiePRO system is managed by the Hawaii State Procurement Office. HiePRO is an internet-based electronic procurement system which HHSC may use for issuing solicitations, receiving bid responses, and making awards while providing an open, fair and documented process. HiePRO is used for electronic Request For Quotations (e-RFQ’s) that fall within the Small Purchase thresholds for procurement of “goods & services” between \$25,000 to less than \$100,000, and for “construction” between \$25,000 to less than \$250,000. If HiePRO is not used, HHSC will issue a formal solicitation using other competitive procurement methods as appropriate for the respective procurement. For more information relating to HiePRO and on becoming a HiePRO listed vendor, go to: <http://hawaii.gov/spo/general/procurement-notice-for-solicitations>.

WHAT HHSC BUYS

The purchase of goods, services and construction is based on the need of the HHSC hospitals. HHSC routinely contracts for nearly every type of hospital and long-term care operational need, including, but not limited to:

- Pharmaceuticals
- Medsurge supplies and equipment
- Food and dietary products
- Janitorial supplies and equipment
- Computer/Electronic equipment and supplies
- Building and grounds construction/renovations
- Building and equipment maintenance services
- Professional services
- Office equipment and supplies

CONTRACTING WITH HHSC

To do business with HHSC, an HHSC issued Purchase Order or Contract is required prior to performance or delivery of goods and services, except in certain emergency situations. HHSC does not use a “preferred provider” approach to contracting. Except where excluded or exempted by law, HHSC system-wide contract actions follow the Hawaii State Procurement Code HRS 103D, utilizing a competitive procurement process within certain dollar thresholds.

If you would like to be invited to quote your company goods or services for existing HHSC system-wide solicitations/requirements, please contact the HHSC Corporate Contracts Manager. If you would like to be invited to quote your company goods or services for a “Regional” hospital please contact the Regional Contracts Manager listed at the end of this document. The following briefly outlines the procurement methods used by HHSC Corporate Contracts Management:

Small Purchases: Defined as procurement of “goods and services” between \$25,000 to less than \$100,000 and for “construction” between \$25,000 to less than \$250,000. Small purchase quotes of less than \$25,000 are obtained when the purchasing agent or contract manager contacts at least three vendors and obtains quotes based on previously established specifications and within certain dollar thresholds. HiePRO may be used for small purchases of “goods & services” between \$25,000 to less than \$100,000 and for “construction” between \$25,000 to less than \$250,000. HiePRO notices are automatically placed on the SPO new procurement notice site upon release. Vendors registered in HiePRO will be notified via an automatic email from HiePRO of any amendments/changes/cancellations. As an alternative, vendors may also log into their HiePRO account to view solicitations.

Larger Purchases: Defined as a new procurement greater than \$100,000 for goods & services, and greater than \$250,000 for construction. Large procurements use a formal solicitation process which includes either an Invitation For Bid (IFB) or Request For Proposal (RFP) process that is determined by the HHSC Contract Manager. Procurement notices for IFB or RFP solicitations not conducted on HiePRO are manually entered by HHSC Contract Manager into the SPO procurement notice posting website. Information relating to the HHSC system-wide IFB’s or RFP’s open solicitations can be found on the SPO procurement notice website: <http://hawaii.gov/spo/general/procurement-notices-for-solicitations>. It is the responsibility of vendors and other interested parties to contact the HHSC Contract Manager to be notified of any amendments or cancellations during open solicitations.

Professional Services: Professional services are those listed professions by definition pursuant to HRS section 103D-104 and other state statutes, and U.S. Office of Personnel Managements Qualifications Standards Handbook professions identified within the “Professional and Scientific” positions. Professional Services mean those services within the scope of the practice of architecture, landscape architecture, professional engineering, land surveying, real property appraisal, law, medicine, accounting, dentistry, public finance bond underwriting, public finance bond investment banking, etc. The HHSC solicitation for Professional Services is updated and posted on the SPO website prior to the beginning of each HHSC fiscal year, but no later than July 1. Procurement notices are manually placed on the SPO Procurement Notice System, and can be accessed under the SPO website: <http://hawaii.gov/spo/general/procurement-notices-for-solicitations>.

Other Procurement Methods: Emergency procurement actions, Exemptions (statutory, by administrative rule, and by specific approval of the Chief Procurement Officer or designee) and Sole Source awards result in special contracts awarded under stringent criteria where the usual methods of obtaining competition are not required. Exemptions and Sole Source requests are posted on this HHSC website for seven days before they are approved.

HHSC - CORPORATE CONTRACTS & MATERIALS MGT. PERSONNEL:

Hawaii Health Systems Corporation - Procurement Office:

Nancy Delima - Corporate Director of Contracts

Hawaii Health Systems Corporation
3675 Kilauea Ave.
Honolulu, HI 96816

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<http://www.hhsc.org/procurement/default.aspx>

Alison Stransky – Senior Corporate Contract Manager

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Kahului, HI 96732

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HHSC - REGIONAL CONTRACTS MANAGEMENT DEPARTMENTS:

EAST HAWAII REGION – Regional Procurement Office Website and Mailing Address:

East Hawaii Region:

Hilo Medical Center
1190 Waianuenue Avenue
Hilo, Hawaii 96720

<https://www.hilomedicalcenter.org/procurement.html>

WEST HAWAII REGION – Regional Procurement Office Website and Mailing Address:

West Hawaii Regional:

Kona Community Hospital
Haukapila Street 79-1019
Kealahou, Hawaii 96750

<https://kch.hhsc.org/procurement/>

OAHU REGION – Regional Procurement Office Website and Mailing Address:

Maluhia Hospital:

1027 Hala Dr.
Honolulu, Hi 96817-2124

- <https://maluhia.hhsc.org/procurement/>
 - <https://leahi.hhsc.org/procurement/>
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KAUAI REGION – Regional Procurement Office Website and Mailing Address:

Kauai Regional Office:

West Kauai Medical Center
4643 Waimea Canyon Road
Waimea, Kauai, Hawaii 96796

<http://kvmh.hhsc.org/procurement/>