

**STATE PROCUREMENT OFFICE
NOTICE OF REQUEST FOR EXEMPTION
FROM HRS CHAPTER 103D**

Received by
State Procurement Office
12/04/2015

TO: Chief Procurement Officer

FROM: Department of Labor and Industrial Relations/Office of Community Services
Name of Requesting Department

Pursuant to HRS § 103D-102(b)(4) and HAR chapter 3-120, the Department requests a procurement exemption for the following:

1. Describe the goods and/or services:
With the imminent departure of all Hawaii Health Connector staff on 12/4/2015, the State needs to procure services to ensure the continuance of the Information Technology (IT) services: infrastructure, accounting systems, email systems, electronic documents, plan management and administration systems, etc. There are several business functions (open enrollment, 2015 plan administration, reporting, financial management) that are in process; systems and data need to be available to support these processes. In addition, the State needs a vendor with the expertise to archive and decommission the systems in compliance Federal requirements. This exemption request is necessary to allow the State to continue to operate systems to support these services and properly archive and decommission the Hawaii Health Connector systems. This procurement is subject to the availability of Federal funds.

2. Vendor/Contractor/Service Provider:	DataHouse	3. Amount of Request:
		\$ 1,500,000
4. Term of Contract From: 12/10/2015 To: 11/30/2016 5. Prior SPO-007, Procurement Exemption (PE):		

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:
Due to the unexpected acceleration of the transition timing and associated termination of the Hawaii Health Connector staff, the State needs to immediately procure services to ensure the continuance of IT systems to support key business processes to enable Hawaii residents to (re)enroll in the Federal Exchange and become compliant with all Federal requirements (reporting, grant management, etc.).

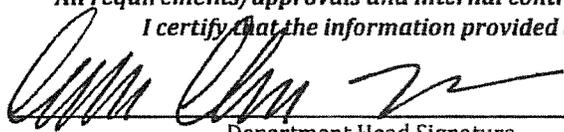
7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:
The vendor has extensive experience in the healthcare industry as it provides electronic medical records systems to healthcare providers. It has experience with developing and issuing reports to the Center for Medicare and Medicaid Services (CMS) and is familiar with the security and privacy requirements of CMS and IRS. The vendor selected has successfully completed numerous State of Hawaii IT projects. In addition, the vendor is located in Hawaii, which will provide immediate on-site support for the accelerated shutdown of the Hawaii Health Connector. Lastly, the vendor has established relationships with IT professionals who have successfully helped other states with archiving and decommissioning their state based exchanges.

8. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required).

*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	e-mail address
Linda Takayama	DLIR	586-8850	linda.c.takayama@hawaii.gov

All requirements/approvals and internal controls for this expenditure is the responsibility of the department. I certify that the information provided above is, to the best of my knowledge, true and correct.



Department Head Signature

Date

For Chief Procurement Officer Use Only

Date Notice Posted: 12/04/2015

Inquiries about this request shall be directed to the contact named in No. 8. Submit written objection to this notice to issue an exempt contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

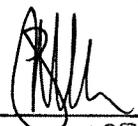
Approval is granted for the period 12/10/2015 to 11/30/2016 with the understanding that DataHouse will provide the continuance of IT systems to support the archiving and decommission of the Hawaii Health Connector systems along with PMO services. This approval is for the solicitation process only. Pursuant to HRS section 103D-310(c) and HAR section 3-122-112, the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded, and award is required to be posted on the Awards Reporting System. Copies of the HCE certificates and awards posting are required to be documented in the procurement/contract file.

If there are any questions, please contact Stanton Mato at 586-0566, or email stanton.d.mato@hawaii.gov.

Approved

Disapproved

No Action Required



Chief Procurement Officer Signature

12/16/15

Date