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STATE OF HAWAII
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer
FROM: Health, Director's Office
(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:

Description of goods, services, or construction:
Administrative/fiscal agent services for a two day educational forum sponsored jointly by the Hawaii State Department of Health and the Hawaii Consortium for Continuing Medical Education, hosted for the Governor.

Name of Vendor: Hawaii Medical Foundation Address: 1360 South Beretania St., 2nd Floor Honolulu, HI 96814	Cost: Up to \$250,000
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Term of Contract: From: <i>Upon CPO Approval</i> August 26, 2005 to December 31, 2005	Prior Exemption Ref. No. (if applicable)
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Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:

See attached.

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

See attached.

posted 8/24/05

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

The Continuing Medical Education Committee responsible for the conference is headed by the Department of Health. The Director and the Deputy Director of Health oversee and monitor all revenue receipts and will approve and sign off on all expenses incurred.

A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Dr. Chiyome Leinaala Fukino, Director of Health
 Susan Jackson, Deputy Director of Health
 Ann Kinningham, Chief, Administrative Services Office

Direct questions to: Susan Jackson, Deputy Director of Health	Phone Number: 586-4412
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This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: Yes No

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS, TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.

Chiyome L. Fukino, MD AUG 24 2005
 Department Head or Designee Date

Title (If other than Department Head)

Chief Procurement Officer's Comments:

This approval is based on the DOH's representation that it is more practicable and feasible to use their co-sponsor's non-profit entity for ease and accountability.

This approval is for the solicitation process only, chapter 103D-310, HRS, shall apply.

Please ensure adherence to applicable administrative requirements.

APPROVED DISAPPROVED

[Signature] 9/1/05
 Chief Procurement Officer Date

cc: Administrator,
 State Procurement Office

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

The Hawaii State Department of Health and the Hawaii Consortium for Continuing Medical Education (HCCME) are jointly sponsoring a two day educational forum for physicians and other healthcare leaders, hosted for the Governor. The educational activities of this forum have been reviewed and approved for 11.5 category 1 credits toward the AMA Physician's Recognition Award. The HCCME Sponsorship Committee manages the program of continuing medical education, which includes setting policy, the establishment of procedures, and approval of applications for credit designation. The Committee consists of representatives of the Hawaii Medical Association and the John A. Burns School of Medicine (JABSOM), University of Hawaii. The HCCME is a joint venture between the Hawaii Medical Association and JABSOM.

The fiscal agent, Hawaii Medical Foundation, is the 501(c)(3), not-for-profit fiscal arm of the Hawaii Medical Association, the largest physician organization in the state and a co-sponsor of the educational forum. It is the practice for continuing medical education events to have the fiscal agent linked to the program mission of a sponsoring agency.

In order to offer this approved continuing medical education activity, the Department of Health must work with the accredited provider, which is the joint venture of Hawaii Medical Association and JABSOM. This particular accredited provider has as its membership the broadest range of medical specialties and sub-specialties which permits the educational activity to offer continuing medical education credits to the widest audience of health care professionals. Other accredited providers have very narrow and specific missions, e.g., rehabilitative medicine, and are not suitable for the broad audience targeted by this particular education activity.

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

As the HCCME is the joint venture between the Hawaii Medical Association and JABSOM and is accrediting the conference, it is practicable to the state to select the administrative/fiscal agent that is accountable to the joint sponsors. The Hawaii Medical Foundation (HMF) as the 501(c)(3), not-for-profit arm of the Hawaii Medical Association, is the only qualified fiscal agent that is linked to the joint sponsors for the accredited conference. As there are strict HCCME requirements regarding funding support appropriate for the CME accredited conference, and because the State Department of Health cannot receive and disburse revenues generated from educational grants, registration fees, and commercial support for the conference, the Hawaii Medical Foundation will receive the revenues and disburse payments for the conference activities. The DOH as the joint sponsor is responsible for the expenses incurred above revenue received from these outside sources.