



07 JUN 13 P212

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

1. TO: Chief Procurement Officer
2. FROM: Department of Human Services

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:

The contract provide consulting services to the DHS for the assessment and remediation of DHS Information Technology (IT) infrastructure to comply with the Security Rule of the Health Insurance Portability and Accountability Act (HIPAA)

See Attachment A
ct

4. Name of Vendor: FourThought Group Address: 112 North Central Avenue Suite 700 Phoenix, Arizona 85004	5. Price: \$1,790,400 <i>\$549,290 ct</i>
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6. Term of Contract: From: 7/1/07 To: 06/30/09	7. Prior Exemption Ref. No. <i>04-54-M 07-17-A ct</i>
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8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State: the revised scope is an extension of an existing contract. Contract # 52845, extension #1: 06-38-J, extension #2 07-17-A.

1. the Software Application is a proprietary data base owned by the contractor 4TG. DHS will require access to the database for data agregation and reports and consulting services which is not practicable by competitive means

2. Technical remediation requires extended support and maintenance which can only be provided by the original contractor.

See Attachment A
ct

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

See Attachment A
ct

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

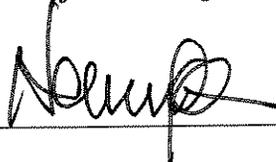
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. 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
Henry Oliva	Deputy Director, DHS	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
Lim Yong	HIPAA project manager	<input checked="" type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: Dept of Human Services Contact Name: Lim Yong Phone Number: 692-8071 Fax Number: 692-8173
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Agency shall ensure adherence to applicable administrative and statutory requirements

14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*


6/13/07

 Department Head Date

Reserved for SPO Use Only

15. Date Notice Posted 06/15/07

The Chief Procurement Officer 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 calendar days or as otherwise allowed from the above posted date to:

Chief Procurement Officer
 State Procurement Office
 P.O. Box 119
 Honolulu, Hawaii 96810-0119

Chief Procurement Officer's comments:

This approval is given based on the previously approved Request for Exemption from Chapter 103D, HRS No. P.E. 04-54-M. It is our understanding that the extension is for time only and the original contract price has not been increased.

16. APPROVED DISAPPROVED NO ACTION REQUIRED


6/22/07

 Chief Procurement Officer Date

Attachment A

The Notice of ~~Amendment to~~^{Exemption} from Chapter 103D, HRS is to request continuation of the existing contract with Four Thought Group, approved by P.E. 04-54-M . The contract provides consulting services to the DGS for the assessment and remediation of DHS Information Technology infrastructure to comply with the Security Rule of the Health Insurance Portability and Accountability Act (HIPAA). This request is strictly to extend the time of performance under the contract with no increase in the contract price. The remaining balance on the contract is \$549,287.50