

9/17

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

04 SEP 17 09:44

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Dept. of Health, Adult Mental Health Division *aj*
(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:

Provision of technical assistance to the Adult Mental Health Division (AMHD) for implementation of the Medicaid Rehabilitation Option (MRO). The MRO would allow AMHD to receive matching federal dollars through the Department of Human Services, Med-Quest Division (MQD) for the provision of services funded by AMHD and provided to Medicaid fee-for-service adult recipients with severe and persistent mental illness.

Technical assistance would be provided in the following areas: 1) Design, development of standard operating procedures, training and implementation of processes for: a) claims data entry, claims adjudication, claims payment, and claims adjustments and voids, b) determining which AMHD clients are also Medicaid eligible, and c) reconciling the claims payment information between the MQD and AMHD; 2) Coordinate implementation of changes to AMHD's information system to support the MRO including development of requirements, review of design documents, coordination of table changes, and acceptance training; 3) Development of a methodology and standard operating procedures related to claiming the Federal match for the administrative costs for the MRO; 4) Project support assistance to develop and maintain the AMHD MRO project work plan; 5) Implementation support including development of an implementation work plan and risk assessment for going live; 6) Development of the provider manual for electronic claims submission; 7) Development of a work plan for submission of historical claims to MQD for reimbursement of the Federal share; and 8) Post implementation support.

Name of Vendor:	SH Consulting LLC	Cost: \$430,000
Address:	1001 Bishop Street 1180 Pauahi Tower Honolulu, Hawaii 96813	

Term of Contract:	From: 9/20/04 To: 3/31/05	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:

It would be neither practicable nor advantageous to procure these services by competitive means because the specialized services require comprehensive knowledge of current Medicaid processes and requirements. The proposed vendor has extensive knowledge of Medicaid processes and requirements, has existing working relationships with MQD staff, and is experienced in providing the services to be procured.

Details of the process or procedure to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
Due to the specialized nature of the work required, MQD was asked to identify potential vendors. Based on this information from MQD and inquiries within the community, the proposed vendor was identified.

A description of the agency's internal controls and approval requirements for the exempted procurement:
The procurement of technical assistance will be conducted under the supervision of the AMHD Chief and is subject to his final approval.

A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:
Thomas W. Hester, M.D., AMHD Chief
Helene Jo, AMHD Resource Management and Development Coordinator
Amy Yamaguchi, AMHD Public Health Administrative Officer

Direct questions to: Amy Yamaguchi | Phone Number: 586-4681

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.

 SEP 16 2004
Department Agency Head Date

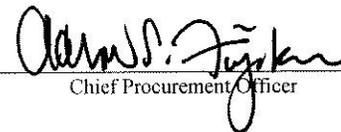
Title (If other than Department Head)

Chief Procurement Officer's Comments:
Requested services can be provided by more than one vendor and the RFP process can be structured to identify the best qualified vendor.

Please ensure adherence to applicable administrative requirements.

APPROVED

DISAPPROVED

 9/24/04
Chief Procurement Officer Date

cc: Administrator
State Procurement Office