

STATE OF HAWAII
**NOTICE OF AND REQUEST FOR EXEMPTION
 FROM CHAPTER 103F, HRS**

RECEIVED
 State Procurement Office
 7/12/16

To: Chief Procurement Officer

From: Department of Health/Family Health Services Division
Department/Division/Branch or Office

Pursuant to § 103F-101(a)(4), HRS, and Chapter 3-141, HAR, the Department requests a procurement exemption to purchase the following:

1.	Title and description of health and human service(s): This contract is for the provision of operating funds for comprehensive medical health care services in the Wahiawa community on the island of Oahu which includes inpatient, outpatient, emergency room, and ancillary services. The Wahiawa community has some of the poorest health and socio-economic indicators in the state according to the latest Primary Care Needs Assessment Data Book published by the Department of Health, Family Health Services Division. Many residents are uninsured and cannot pay for the hospital care they receive.	
2.	Provider Name and Address:	Wahiawa General Hospital 128 Lehua Street Wahiawa, HI 96786
3.	Total Contract Funds: Contract Funds per Year (if applicable):	\$2,375,000 Check if estimated: <input type="checkbox"/>
4.	Reference number of Previous Request for this Service (if applicable):	PEH No. 13-06
5.	Term of Contract:	Start: Upon approval End: 6/30/17
6.	Describe how procurement by competitive means is either not practicable or not advantageous to the State: The DOH already has an approved exemption under PEH No. 13-06. This request is to add additional funds to the existing contract, ASO Log No. 14-014. Due to the severity of Wahiawa General Hospital's current financial condition, the 2016 Legislature provided a one-time, non-recurring appropriation of \$2,500,000 in FY 2017 to be used as operating funds for inpatient, outpatient, emergency room, and ancillary services. (Refer to the attached Act 124, SLH 2016, Item No. 8A, and Budget Comparison Worksheet for HB 1700) The actual amount being contracted, however, is for \$2,375,000 due to a \$125,000 contingency restriction. The \$2,375,000 appropriation will be added to the existing contract with Wahiawa General Hospital via a contract modification order.	
7.	Describe the reason for the selection of the provider including a description of how the procedure ensured the maximum fair and open competition practicable: The DOH has an existing exemption under PEH No. 13-06.	

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8.	Describe the state agency's internal controls and approval requirements for the exempted procurement: To the extent possible, the DOH will apply the laws and administrative rules associated with competitive procurement under Chapter 103F, HRS for the contract.
9.	List the state agency personnel, by position title, who will be involved in the approval process and administration of the contract: Gordon Takaki, Public Health Administrative Officer V
10.	Direct questions to (name & position): Gordon Takaki, Public Health Administrative Officer Phone number: 733-8365 e-mail address: gordon.takaki@doh.hawaii.gov

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



Department Head Signature

7/12/16

Date

Keith E. Kawaoka

Typed Name

NOTICE

The chief procurement officer is considering this request for exemption and, if there is good cause, the state intends to exempt the purchase as described in the request. Any inquiries regarding the purchase shall be directed to the contact person noted in item 10 of the request. Any concerns regarding the exemption shall be in writing and received by the chief procurement officer within seven days of the date the notice was first posted. Concerns shall be mailed to: Chief Procurement Officer, State Procurement Office, 1151 Punchbowl St., #230A, Honolulu, HI 96813.

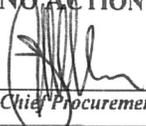
FOR CHIEF PROCUREMENT OFFICER USE ONLY

Chief Procurement Officer's Comments:

This approval is for the period 7/12/16 to 6/30/17 and for the procurement process only. Each service provider is required to be compliant with applicable laws, and verified on the Hawaii Compliance Express, if applicable. This award is required to be posted on the Awards Reporting System.

If there are any questions, please contact Corinne Higa at 587-4706 or corinne.y.higa@hawaii.gov.

APPROVED **DISAPPROVED** **NO ACTION**



Chief Procurement Officer Signature

7/26/16

Date

*Department shall ensure adherence to applicable administrative requirements.
All requirements/approvals and internal controls for this expenditure are the responsibility of the department.*

PROGRAM APPROPRIATIONS

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ITEM NO.	PROG. ID	PROGRAM	EXPENDING AGENCY	APPROPRIATIONS			
				FISCAL YEAR 2015-2016	M O F	FISCAL YEAR 2016-2017	M O F
			HTH	8,499,983P		8,551,205P	
						18,785,205P	
5.	HTH590	CHRONIC DISEASE PREVENTION AND HEALTH PROMOTION					
	OPERATING			39.50*		38.50*	
			HTH	A		950,000A	
			HTH	48,599,577B		48,656,356B	
			HTH	610,000U		610,000U	
				10.50*		10.50*	
			HTH	7,358,454P		13,046,023P	
6.	HTH595	HEALTH RESOURCES ADMINISTRATION					
	OPERATING			2.00*		2.00*	
			HTH	180,275A		182,869A	
						202,369A	
7.	HTH210	HAWAII HEALTH SYSTEMS CORPORATION - CORPORATE OFFICE					
	OPERATING			54.50*		54.50*	
	INVESTMENT CAPITAL		HTH	12,509,280B		12,509,280B	
			HTH	C		500,000C	
8.	HTH211	KAHUKU HOSPITAL					
	OPERATING		HTH	1,500,000A		1,500,000A	
8A.	SUB601	PRIVATE HOSPITALS AND MEDICAL SERVICES					
	OPERATING		SUB		A	2,500,000A	
9.	HTH212	HAWAII HEALTH SYSTEMS CORPORATION - REGIONS					
	OPERATING		HTH	105,940,000A		84,940,000A	
						115,940,000A	
				2,780.75*		2,780.75*	
	INVESTMENT CAPITAL		HTH	541,627,536B		547,570,474B	
			HTH	20,000,000C		12,000,000C	
10.	HTH213	ALII COMMUNITY CARE					
	OPERATING		HTH	2,500,000B		2,500,000B	
10A.	HTH214	MAUI HEALTH SYSTEM, KFH LLC					
	INVESTMENT CAPITAL		HTH		C	6,000,000C	
11.	HTH420	ADULT MENTAL HEALTH - OUTPATIENT					
	OPERATING			152.50*		152.50*	
			HTH	60,367,212A		60,895,203A	
			HTH	11,610,000B		11,610,000B	



LEGISLATIVE BUDGET SYSTEM
BUDGET COMPARISON WORKSHEET

Program ID SUB601 PRIVATE HOSPITALS AND MEDICAL SERVICES
Structure #: 050205000000
Subject Committee: CPH COMMERCE, CONSUMER PROTECTION, AND HEALTH

HB1700 HD1 SD1 CD1				EXECUTIVE BUDGET REQUEST			
SEQ #	EXPLANATION	FY 2016	FY 2017	EXPLANATION	FY 2016	FY 2017	SEQ #
- 1							- 1

OBJECTIVE: TO SUPPORT THE OPERATION OF PRIVATE GENERAL HOSPITALS AND MEDICAL FACILITIES.

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3000-001			2,500,000 A				3000-001
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LEGISLATIVE ADJUSTMENT:
ADD FUNDS FOR WAHIAWA GENERAL HOSPITAL.

DETAIL OF LEGISLATIVE ADJUSTMENT:
OPERATIONS SUBSIDY (2,500,000)

\$2,500,000 NON-RECURRING.

		2,500,000	A	TOTAL CHANGES BY MOF		
0.00	0.00	2,500,000		TOTAL CHANGES	0.00	0.00
	0.00	2,500,000	A	BUDGET TOTALS BY MOF		
0.00	0.00	2,500,000		TOTAL BUDGET	0.00	0.00