

STATE OF HAWAII  
**NOTICE OF AND REQUEST FOR EXEMPTION** 09 MAY 18 A7 59  
**FROM CHAPTER 103F, HRS**

STATE PROCUREMENT OFFICE  
 STATE OF HAWAII

To: Chief Procurement Officer

From: Health/Disease Outbreak Control Division  
*Department/Division/Branch or Office*

*MS*

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): Laboratory services and testing for suspected reportable disease conditions such as, but not limited to, hepatitis A, B, C, influenza, various foodborne diseases, various communicable diseases, unusual or rare diseases, bioterrorism agents and vaccine preventable diseases. Doctors and laboratories are required by law to report certain diseases as a matter of public health concern. This is to help the State take action in containing and preventing widespread outbreaks of communicable diseases.	
2.	Provider Name and Address:	Multiple Providers
3.	Total Contract Funds: Contract Funds per Year (if applicable):	\$25,000 - \$150,000 per year <b>No contracts. Fee for service.</b>
4.	Reference number of Previous Request for this Service (if applicable):	PEH No. 07-37
5.	Term of Contract:	Start: July 1, 2009 End: June 30, 2011
6.	Describe how procurement by competitive means is either not practicable or not advantageous to the State: It is not practical to contract for these services as the specific laboratory tests are unknown until report of a suspected disease is received by DOH. Laboratory samples, such as blood draws, must be done at sites convenient for patients or they will not participate. If a patient does not cooperate then appropriate testing cannot be done to identify disease agents. Non-compliance with testing would interfere with the implementation of appropriate control measures and treatment resulting in an increased risk for spread of communicable diseases and the occurrence of outbreaks. The nature of all testing required over a period of time is difficult to predict because it depends on current disease activity at the time. Patterns of disease occurrence do not remain static. They change from season to season and year to year. Cost is not necessarily a factor in procurement because service costs are fairly standard among the laboratories. Charges within the metropolitan area are no different than rural areas, and fees for metropolitan areas are not a separate negotiable factor with the laboratories. Patient access to laboratory services through major laboratories as well as smaller facilities statewide, the availability of appropriate services, and turnaround time for test results are of the utmost importance in preventing the spread of communicable diseases.	
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: Service providers utilized are determined by their ability to perform the necessary services. Crucial factors affecting the ability to provide a service may include the laboratory's biosafety level rating (approval to handle certain types of infectious agents), ability to perform the appropriate laboratory analyses, ability to provide results quickly and accurately, ability to service the number of patients possibly to be referred for services, and location of the laboratory for the patient's convenience. In	

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some cases, such as Dengue Fever, tests are processed in only one or two facilities nationally, but the samples must be taken, packed, and shipped by a laboratory to that facility. Laboratories must be nationally certified laboratories.

8. Describe the state agency's internal controls and approval requirements for the exempted procurement:  
The Department of Health/Disease Outbreak Control Division follows established disease investigation protocols based on those established by the Centers for Disease Control and Prevention, American Public Health Association, American Academy of Pediatrics, Academy of Practitioners of Infection Control, and others. All investigation staff members work under the supervision of a licensed physician. Based on the protocols, a person with a suspected reportable disease condition may be requested to have a laboratory test. A standard laboratory form (supplied by the various laboratories) detailing the test or tests required is faxed by DOH staff to the laboratory selected by the patient (usually based on geographic location). The test results are then reported by the laboratory directly to the DOH. Further action is taken based on the established investigation protocols mentioned above. DOCD administrative support staff check laboratory invoices to confirm that the clients are actually DOH clients and that the charges are usual and customary before authorizing payment and processing invoice for payment. DOCD PHAO monitors and reviews expenditures for laboratory testing to ensure compliance with procurement regulations.

9. List the state agency personnel, by position title, who will be involved in the approval process and administration of the contract:  
Chief, Disease Outbreak Control Division  
Physician II  
Public Health Administrative Officer V

10. Direct questions to (name & position): Nancy E. Bartter, PHAO  
Phone number: 586-8355  
e-mail address: nancy.bartter@doh.hawaii.gov

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

  
Department Head Signature

**MAY 15 2009**  
Date

Chiyome Leinaala Fukino, M.D.  
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: Aaron Fujioka, Chief Procurement Officer, State Procurement Office, 1151 Punchbowl St., #230A, Honolulu, HI 96813.

**FOR CHIEF PROCUREMENT OFFICER USE ONLY**

Chief Procurement Officer's Comments:

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APPROVED     DISAPPROVED     NO ACTION

  
\_\_\_\_\_  
Chief Procurement Officer Signature

5/28/09  
\_\_\_\_\_  
Date

Please ensure adherence to applicable administrative requirements.