

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

RECEIVED
State Procurement Office
3/28/16

To: Chief Procurement Officer

From: Department of Health, Adult Mental Health 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:

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| 1. Title and description of health and human service(s): | |
| Development Disability/Intellectual Disability services that include: | |
| a. Functional Behavioral Assessments (FBA), Positive Behavioral Support (PBS) Planning, and consultation and training for the caregivers who implement the PBS. The purpose of these services is to identify the function of an individual's challenging behavior, create goals and procedures to address the behavior, and support the caregivers and the individual to change the behavior. | |
| b. Adult Day Health Program. The purpose of this service, a behavioral support program, is to provide an array of individualized training based on an individual's interests, goals, and needs. | |
| c. Personalized Habilitation Services. These services are to assist an individual to meet health and safety needs, utilize community resources, and develop natural supports. The services are driven by goals related to increasing the individual's capacity and independence to reside and/or participate in their home and community, and increase their capacity toward economic self-sufficiency. Services are one-on-one with a provider, occur in the home and community, may be used 24 hours per day, and may require more than one person to implement. | |
| 2. Provider Name and Address: | CARE Hawaii, Inc.
875 Waimanu Street, Suite 614
Honolulu, Hawaii 96813 |
| 3. Total Contract Funds: | \$1,100,000 (estimate) |
| Contract Funds per Year (if applicable): | \$550,000 Year 1
\$550,000 Year 2 |
| 4. Reference number of Previous Request for this Service (if applicable): | PEH No. 14-33 |
| 5. Term of Contract: | Start: 7/01/16
End: 6/30/18 |

1-3318

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6. Describe how procurement by competitive means is either not practicable or not advantageous to the State:
The Department of Health (DOH), Adult Mental Health Division (AMHD), previously submitted a request for exemption, PEH No. 14-33, for the period of 7/1/14 - 6/30/16 to provide services to an individual with developmental delays, low intellectual ability, and impairment in functional ability severe enough to result in disability, but not severe enough to be eligible for services from the DOH Developmental Disabilities Division (DDD) under the Medicaid Waiver. This individual also has a severe and persistent mental illness and is eligible for continuing services from the AMHD.

There is a critical need to continue these services. Pursuant to section 334-104, Hawaii Revised Statutes regarding providing services in the least restrictive level of care, the AMHD transferred an individual out of the Hawaii State Hospital (HSH) and into a community-based residential setting. Knowing that the individual would be transferred to a less restrictive level of service, the AMHD was aware that the individual needed ongoing community supports. Since August 2013, CARE Hawaii, Inc. (CARE) has been working with the AMHD to transition the individual out of the HSH and into the community through day programming and support services. An Expanded Adult Residential Care Home (E-ARCH) was also found for this individual.

Community integration and stabilization for this individual's developmental disabilities, impairments, and mental illness has made the transition slow. The individual was in the HSH for over 10 years, and the adjustments were challenging. The individual's transition into the community was much slower than what was anticipated by the HSH clinical staff and additional supports were required to assist the individual to transition into the community. For example, prior to being discharged from the HSH, CARE's staff visited the individual in the HSH to develop a rapport and to familiarize the individual with CARE staff. Approximately ten (10) months later, the individual was able to begin the transition into the E-ARCH.

At the beginning of the transition into the community, a minimum of three (3) training and consultant staff were required to assist the individual with social interaction situations. The individual had to be coached in appropriate social behaviors, and staff were required to assist and anticipate the behaviors of the individual to ensure the safety of the individual and the general public. Initially, the individual required the services of two (2) Master's level and one (1) doctorate level staff. Currently, social interaction situations are utilized with two (2) Master's level training and consultant staff. The individual also requires one (1) staff person to provide in-home, overnight services. Services paid for this service consist of the Training and Consultant: Behaviorist (Master's level), \$89.68 per hour; Psychologist (Doctorate level), \$106.37 per hour. Other services include the Adult Day Health, \$120.00/full day, \$60.00/half-day; and Personalized Habilitation Services, \$8.00 per 15 minutes per habilitation worker. These rates are consistent with the Medicaid Waiver rates utilized by the DDD. The daily cost for services provided to the individual are dependent upon the day programming scheduled for that day. For example, the daily cost for the individual for services provided on 2/29/16 was \$1,280.00.

The adjustment from a hospital setting to a community-based residential setting continues to be laborious for the individual. The AMHD hopes that the individual continues to make gains and reach goals, while continuing to maintain the community-based residential placement. This is a unique situation for the AMHD, and an extension of time will enable CARE to continue to assist the individual with progress through a combination of community-based day programming and in-home E-ARCH supports.

It would not be advantageous to the State for the AMHD to competitively procure this service, as the consumer would not adjust well to the potential change in service providers. Based on the numerous adjustments made to familiarize the individual with CARE's staff and the progress made thus far, there would be a fundamental setback experienced by the individual, should the individual be required to work with a new provider, with new staff, and adjust to a new environment. The AMHD and the HSH would like to avoid the individual decompensating or becoming unstable where there would be an imminent risk for losing the community-based residential placement. Having to be re-hospitalized for any length of time would be a major setback in this individual's care and recovery.

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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:

CARE is currently providing the package of services for the AMHD that includes the functional behavioral assessments with skills training, adult day health programming, and personalized habilitation services which are required for this individual. Due to the continuous challenges with this individual's ability to consistently maintain their community-based residential placement, to end services now would seriously jeopardize the individual's progress thus far. It has taken a significant amount of CARE staff, time and resources which include but is not limited to, coaching, planning, and organizing community-based services for this individual. Changes with the personnel providing direct services and the day programming routine, would disrupt the individual's progress and may cause the individual to decompensate to where re-hospitalization may be required. An extension of time will enable the individual to continue with programming and to continue community integration. This request will ensure that there is no break in service and ensure that there is no break in the continuity of care for this individual.

In December 2014, the individual submitted an appeal to the DDD in response to their initial denial of the individual's assessment for the eligibility of services. CARE also provides services to the developmental disability/intellectual disability population, so continuation of services through DDD would also be beneficial to the individual. Unfortunately, the individual's appeal was denied by the DDD.

8. Describe the state agency's internal controls and approval requirements for the exempted procurement:

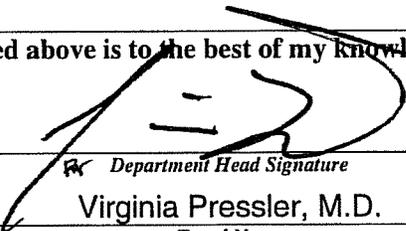
Service and administrative requirements for the procurement shall be monitored through AMHD's regular oversight and monitoring

9. List the state agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Amy Yamaguchi, Public Health Administrative Officer (PHAO)
Enid Kagesa, AMHD Contracts Coordinator

10. Direct questions to (name & position): Amy Yamaguchi, PHAO
Phone number: 586-4682
e-mail address: amy.yamaguchi@doh.hawaii.gov

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



Department Head Signature
Date: MAR 24 2016
Virginia Pressler, M.D.

Typed Name

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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.

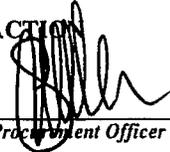
FOR CHIEF PROCUREMENT OFFICER USE ONLY

Chief Procurement Officer's Comments:

This approval is for the procurement process only. The 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

4/21/16
Date

Please ensure adherence to applicable administrative requirements.