EAST HAWAII REGION FROM COMPETITON

NOTICE OF AND REQUEST FOR EXEMPTION

18-0005

1. TO:

Regional Chief Procurement Officer

2 FROM: Sam Nelson Senior Contract Manager

Department/Division/Agency

Pursuant to East Hawaii Region Policy PUR 017, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction: Short Term Specialty Staffing Services							
Address: 425	endor: Sellers Dorsey Market Street Francisco, CA 19105	5 Price: Fixed-\$60,000 Variable – Contingency fee of 8.5% to 7.5% on additional revenue					
6. Term of Contract:	From: 1/1/18	To: 12/30/23	7. Prior Exemption Ref. No. N/A				

8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:

Sellers Dorsey is a national healthcare consulting firm with a reputation for developing successful solutions in Medicaid and public healthcare funding, policy and program innovation. Sellers Dorsey is uniquely familiar with supplemental payment programs including physician upper payment limit (UPL) programs nationally. Sellers Dorsey has successfully assisted 11 states to conceive, design, seek state and federal approval for and implement a physician supplemental payment program of this type, whether in Medicaid fee-for-service or Medicaid managed care, starting with the nation's first physician UPL program for the Commonwealth of Kentucky. Five of these programs were implemented in the last 16 months alone, two in managed care, and three in fee-for-service. Additionally, the firm is actively working in 11 states on similar programs in Medicaid managed care or fee-for-service.

The State of Hawaii or any other known provider within the state, does not currently have a physician UPL program whether in Medicaid fee-for-service or Medicaid managed care. Sellers Dorsey proposes to work for Hawaii Health Systems Corporation (HHSC) to design, seek state and federal approval for and implement a Medicaid managed care physician supplemental payment program up to an 'Average Commercial Rate'. Sellers Dorsey is currently providing similar consulting assistance to Kapi'olani Medical Specialists (KMS) and University Health Partners of Hawaii (UHP) together with John A. Burns School of Medicine (JABSOM) and believes that along with HHSC this is the appropriate group of providers to seek state support to initiate and implement such a program. The design and development of the Enhanced Physician Payment program is already in progress with the State with Sellers Dorsey's engagement with the University of Hawaii. Sellers Dorsey identified the project and brought it to University of Hawaii officials to present and begin discussions with Hawaii Med-QUEST. Sellers Dorsey is already providing the expert consulting services to the coalition and coordinating the outreach and discussions between state officials and current clients. It is therefore important that HHSC is engaged with the same consultant and coordinating in the same manner. Bringing in a different consultant would be harmful to the initiative by adding additional parties and slowing down current progress.

Successful implementation of an Enhanced Physician Payment Program will net additional revenue from services that are currently be provided that would otherwise not be made available.

9. Details of the proce competition as practic	ess or procedures to be follow cable:	ved in selecting the ver	ndor to ensure	e maximum fair and open			
organizations that are organizations that are reasonable. If HHSC process, the advantag not being selected as the other eligible prog	d service that requires one eligible to be included in the participating in the prograwent out into the marketplace of shared expense amongs part of a competitive process grams, HHSC is benefitting free agency's internal controls as	nis new program. The am. Since costs (an e to find its own stands the benefiting program, since the vendor is a om the cost savings of	e contract cos d benefits) a alone vendor ms would be lready selecte this joint part	sts are spread amongst the are shared, the pricing is via a Request for proposal lost. While this vendor is ed and under contract with ticipation.			
beginning on the A	rocurements are reviewed by Agreements. Once the procurrior to sign off by HMC.	rement is complete, bot	th the CFO &	CEO again review the			
11. A list of agency per	rsonnel, by position, who wil	l be involved in the app	proval process	s and administration of			
the contract:							
Name	Position			vement in Process			
Dan Brinkman	East Hawaii Regio			Administration			
Joni Waltjen	East Hawaii Interio		Approval	Administration			
Sam Nelson	Senior Contract M	anager	Approval	Administration			
			Approval	Administration			
12. Direct inquiries to:	Department: Contracts Ma Contact Name: Sam Nelson Phone Number: 808 932-33 Fax Number: (808) 933	1 13					
Agency s	ald be considered for list of exenshall ensure adherence to app	icable administrative a	and statutory i	requirements			
(X///_							
SIJ		December 7, 2	017				
Department Head – Sam l	Nelson	Date					
Reserved for RCPO/Designee Use Only							
The Head of the Purchasing Submit written objections to otherwise allowed from the a		his request for exemption fron East Hawaii Region Procurem hief Procurement Officer	15. Date Notion East Hawaii Reguent Policies, with	gion Procurement Policies.			
Regional Procurement Of	East Ha 1190 W Hilo, F	waii Region aianuenue Ave. Iawaii 96720	7 <i>1</i> //				
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16. APPROVED	DISAPPROVED	Regional Claref Procur	ement Officer	DEC 18 2017 Date			
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