

**EAST HAWAII REGION  
NOTICE OF AND REQUEST FOR EXEMPTION  
FROM COMPETITION**

**EX 17-0004**

1. TO: Regional Chief Procurement Officer  
2. FROM: Gary L. Callahan, Senior Contract Manager

Department/Division/Agency

Pursuant to East Hawaii Region Policy PUR 017, the Department requests a procurement exemption for the following; Healthcare process improvement consulting services.

3. Description of goods, services or construction:  
Hilo Medical Center is seeking a professional services firm to work with Hilo Medical Center to achieve, deliver and sustain improvement in clinical outcomes and employee satisfaction. We have previously implemented Studer initiatives like the hospital wide AIDET program and the Nursing employee rounding program – we would like to continue to implement Studer developed tools and processes to continue to improve our outcomes. Studer has a reputation of being the market leader in healthcare cultural transformation, they offer proprietary, data-driven trichology and leadership development resources to help healthcare facilities deliver lasting positive organizational change.

4. Name of Vendor: The Studer Group, L.L.C.  
  
Address: 350 West Cedar Street, Suite 300  
Pensacola, Florida 32502

5. Price:  
\$461,225.00

6. Term of Contract: From: 11/1/2016 To: 10/31/2019

7. Prior Exemption Ref. No.  
N/A

8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:  
  
The Studer Group is the exclusive owner of tools needed by the Hilo Medical Center in order to drive and improve HCAHPS measures. Hospitals that have used Studer Group have HCAPHS measures 20% greater than national averages. Studer has exclusive tools that only they provide such as:

1. Evidence-based leadership methodology
2. Evidence based tactics for improving performance such as AIDET, high/middle/below, and Must Haves
3. Proprietary software tools such as Patient Call Manager, and Leader Evaluation Manager

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:  
  
The marketplace was evaluated and no other firm was identified that provided a complete holistic approach across the entire hospital organization. Studer Group was the only firm that provides a complete solution. Competition is not practical in this case where a comparable offering would need to be provided by multiple firms. Multiple firms would also offer conflicting and fragmented services. At the expiration of this contract, if future services are needed, the marketplace will be revisited.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

Procurements are issued according to East Hawaii Region Policies and procedures which require checks and balances for new procurements and approvals for planned expenditures. This contract has been reviewed and approved by the East Hawaii Region's CEO. This contract includes a termination provision such that services can be terminated at any time if services are not providing value.

11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

Name	Position	Involvement in Process	
Dan Brinkman	CEO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Janiece McNichols	CFO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Sam Nelson	Senior Contracts Manager	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:  
 Department: Contracts Management  
 Contact Name: Sam Nelson  
 Phone Number: 808-932-3113  
 Fax Number: 808-932-2793

13. This exemption should be considered for list of exemptions in to Chapter 3-120, HAR: YES  NO   
 Agency shall ensure adherence to applicable administrative and statutory requirements

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



Department Head: Gary L. Callahan

10/25/16  
 Date

Reserved for RCPO/Designee Use Only

15. Date Notice Posted 10/25/16

The Head of the Purchasing Agency is in the process of reviewing this request for exemption from East Hawaii Region Procurement Policies. Submit written objections to this notice to issue an exemption from East Hawaii Region Procurement Policies, within seven (7) calendar days or as otherwise allowed from the above posted date to: Regional Chief Procurement Officer  
 East Hawaii Region  
 1190 Waiuanue Ave.  
 Hilo, Hawaii 96720

Regional Procurement Officer's comments:

16.  **APPROVED**  **DISAPPROVED**

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 Regional Chief Procurement Officer Date