

EAST HAWAII REGION
NOTICE OF AND REQUEST FOR EXEMPTION
FROM COMPETITON

#20-0001

1. TO: Regional Chief Procurement Officer
 2. FROM: Sam Nelson Senior Contracts Manager

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

<p>3. Description of goods, services or construction: East Hawaii Region is seeking to work out an arrangement with a firm that will provide complete e-learning products to our staff. E-learning tools that are needed are to enable and ensure compliance with joint commission training guidelines, and recommended HIPAA staff training. The East Hawaii Region had entered into a 3 year agreement for these services with Healthstream in 2016. The 2016 agreement is expiring. The 2016 agreement has been successful and it would be costly to re-compete and retrain staff on an alternate system. Additionally a search of e-learning providers has not revealed another provider in the marketplace with the breadth of training tools targeted toward healthcare that Healthstream has.</p>	
<p>4. Name of Vendor: Healthstream, Inc. Address: 209 10th Ave. South, Suite 450 Nashville, TN 37203</p>	<p>5. Price: \$830,000.00</p>
<p>6. Term of Contract: From: 8/1/19 To: 7/31/24</p>	<p>7. Prior Exemption Ref. No. 17-0001</p>
<p>8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State: As noted, the East Hawaii Region has a need to provide staff training to comply with Joint Commission Guidelines. The best tool that we have been able to find for this training is through Healthstream. We have not been able to find another vendor with the breadth of Healthstreams e-learning tools. Addiitonally, since we have already implemented Healthstream's e-learning tools it would be costly and disruptive to transition to another provider (or multiple providers) to provide the same training. As a result we are seeking to enter into a 5 year contract with Healthstream for required compliance training for our estimated 200 users requiring annual training. Additionally, we are looking to add training in areas of revenue cyce optimization, sedation, and dynamic health. Cost for training works out to less than \$175,000 per year for 2,000 users. Price is less than the cost of in-person training or cobbling together other training options.</p>	
<p>9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: We maintain a fair and equitable procurement process, but do not see a viable business case for competing e-learning services. We will monitor the marketplace for when the new contract expires and see if a case for competing this work can be made at that time. Currently a case cannot be made.</p>	

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

Our controls are set with checks and balances which ensure Administraton approves the exemption and the funding necessary. We monitor payments made and ensure the services comply with the contract.

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	Chief Executive Officer	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Joni Waltjen	Chief Financial Officer	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Sam Nelson	Senior Contract Manager	<input type="checkbox"/> Approval	<input checked="" 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) 933-2793

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 _____ Date _____

Reserved for RCPO/Designee Use Only

15. Date Notice Posted _____

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** _____
 Regional Chief Procurement Officer Date