

## **PROCUREMENT AT EAST HAWAII REGION OF HHSC**

Welcome to the East Hawaii Region of the Hawaii Health Systems Corporation (“HHSC”) procurement information web site. The following information provides a brief overview of our purchasing and contracting structure to assist you in understanding our procurement practices and organization.

East Hawaii Region cannot operate without obtaining goods, services and construction assistance from private businesses and individuals. Through your participation in an open, competitive procurement process, all of our stakeholders benefit. Stakeholders include the State of Hawaii, HHSC, our hospital patients, medical staff, employees, and the communities we serve. Quality at competitive prices is the goal of each procurement. Our policies are designed to promote that goal by diligently following fair and open procurement practices while meeting the purchasing needs of a robust health care organization.

The East Hawaii Region is made up of Hilo Medical Center, a 212 bed, full service hospital located in Hilo, Hawaii; Hale Ho’ola Hamakua, a 77 bed, critical access hospital, located in Honoka’a, Hawaii; and Ka’u Hospital, a 14 bed, critical access hospital, located in Pahala, Hawaii on the southern tip of the Big Island. Procurements may be conducted by the Regional Contract Managers on behalf of all three facilities we serve; this is referred to as “region-wide” contracting. When standardization initiatives and consolidated purchases can be accomplished more efficiently and for less cost, then a region-wide procurement method is used. The individual hospitals sometimes need the flexibility to purchase goods and services that meet the unique needs of the individual medical staffs and patient populations. These specific procurement actions are managed by the Regional Contract Managers in the East Hawaii Region.

Our Regional Contract Managers engage in procurement actions upon receiving a fully approved Purchase Request (PR) from the Technical Representative. Contract Managers are responsible for the procurement action from the time the specifications are written until the contract has been executed. The regional Technical Representative is responsible for oversight of vendor performance and invoice approval, however, all contractual issues are managed by the Contract Manager.

The medical/surgical supply chain is managed at the regional level, and our Regional Material Manager is generally responsible for the daily operations of high-volume, low-dollar acquisition of goods and services. The East Hawaii Region’s Material Manager is also responsible for managing orders from existing contracts and group purchasing organizations (GPO’s). Additionally, our Material Manager oversees inventory, receiving and distribution functions throughout our region, and manages our regional supply chain data systems. The Material Manager works closely with the operations personnel to ensure that the correct purchases are made within the contracted terms, and that GPO usage is maximized.

On behalf of the East Hawaii Region Contract and Material Managers, we look forward to working with you.

Sam Nelson,  
Senior Contract Manager  
Hilo Medical Center  
East Hawaii Region  
1190 Waianuenue Avenue  
Hilo, Hawaii 96720

## DOING BUSINESS WITH EAST HAWAII REGION

East Hawaii Region is a division of HHSC, which is a jurisdiction under the State Procurement Office (SPO) Executive Branch department that has delegated Chief Procurement Officer (CPO) procurement authority from the SPO. The East Hawaii Region by statute is exempt from the Hawaii Public Procurement Code, HRS Chapter 103D (Code). East Hawaii Region has developed procurement policies and procedures which mirror the goals of the Code to ensure fair and equitable purchasing.

For purchases exceeding \$25,000, the vendor must provide proof that their firm is in compliance with applicable labor and business registration laws. For more information about compliance and how to obtain documentation of compliance, please visit the Hawaii SPO website: <http://hawaii.gov/spo>. In addition, vendors may apply and obtain proof of compliance electronically through the Hawaii SPO "Hawaii Compliance Express" website at <https://vendors.ehawaii.gov/hce/splash/welcome.html>. One interface covers all the forms for all state agencies and partners. Easy to read instructions help make compliance safe, fast and efficient.

## CONTRACTING WITH EAST HAWAII REGION

To do business with the East Hawaii Region, a region issued Purchase Order or Contract is required prior to performance or delivery of goods and services, except in certain emergency situations. Our region does not use a "preferred provider" approach to contracting. Except where excluded or exempted by law, East Hawaii Region contract actions follow good purchasing guidelines, utilizing a competitive procurement process within certain dollar thresholds.

If you would like to be invited to quote your company goods or services for existing solicitations/requirements, please contact the East Hawaii Region Contracts Manager. If you would like to be invited to quote your company goods or services for other regional hospitals or our Corporate Contract staff, please contact the Contracts Managers listed at the end of this document. The following briefly outlines the procurement methods used by East Hawaii Region Contracts Management:

**Small Purchases:** Defined as procurement of "goods and services" between \$25,000 to less than \$100,000 and for "construction" between \$25,000 to less than \$250,000. Small purchase quotes of less than \$25,000 are obtained when the purchasing agent or contract manager contacts at least three vendors and obtains quotes based on previously established specifications and within certain dollar thresholds.

**Larger Purchases:** Defined as a new procurement greater than \$100,000 for goods & services, and greater than \$250,000 for construction. Large procurements use a formal solicitation process which includes either an Invitation for Bid (IFB) or Request for Proposal (RFP) process that is determined by the HHSC Contract Manager. Information relating to the HHSC system-wide IFB's or RFP's open solicitations can be found on the East Hawaii Region's procurement notice website: <https://www.hilomedicalcenter.org/procurement/>. It is the responsibility of vendors and other interested parties to contact the Contract Manager to be notified of any amendments or cancellations during open solicitations.

**Professional Services:** Professional services" means those services within the scope of the practice of architecture, landscape architecture, professional engineering, land surveying, real property appraisal, law, medicine, accounting, dentistry, public finance bond underwriting, public finance bond investment banking, or any other practice defined as professional by the laws of this State or the professional and scientific occupation series contained in the United States Office of Personnel Management's Qualifications Standards Handbook. The solicitation for Professional Services is updated and posted on the SPO website by HHSC Corporate Contract Managers prior to the beginning of each State fiscal year, but no later than July 1. Procurement notices are manually placed on the SPO Procurement Notice System, and can be accessed under the SPO website: <http://hawaii.gov/spo/general/procurement-notices-for-solicitations>.

**Other Procurement Methods:** Emergency procurement actions, Exemptions (statutory, by administrative rule, and by specific approval of the Chief Procurement Officer or designee) and Sole Source awards result in special contracts awarded under stringent criteria where the usual methods of obtaining competition are not required. Exemptions and Sole Source requests are posted on this HHSC website for seven days before they are approved.

**Hilo Medical Center Contracting Staff**

**Sam Nelson, Senior Contract Manager**  
**Gary Callahan, Senior Contracts Manager**  
**Corrina Kuahiwinui, Contracts Assistant**

**HHSC - REGIONAL CONTRACTS MANAGEMENT DEPARTMENTS:**

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**EAST HAWAII REGION – Regional Procurement Office Website and Mailing Address:**

**East Hawaii Region:**

Hilo Medical Center  
1190 Waiianuenue Avenue  
Hilo, Hawaii 96720  
(808) 932-3114

<https://www.hilomedicalcenter.org/procurement/>

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**WEST HAWAII REGION – Regional Procurement Office Website and Mailing Address:**

**West Hawaii Regional:**

Kona Community Hospital  
Haukapila Street 79-1019  
Kealahou, Hawaii 96750

<https://kch.hhsc.org/procurement/>

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**OAHU REGION – Regional Procurement Office Website and Mailing Address:**

**Maluhia Hospital:**

1027 Hala Dr.  
Honolulu, Hi 96817-2124

<https://maluhia.hhsc.org/procurement/>

<https://leahi.hhsc.org/procurement/>

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**KAUAI REGION – Regional Procurement Office Website and Mailing Address:**

**Kauai Regional Office:**

West Kauai Medical Center  
4643 Waimea Canyon Road  
Waimea, Kauai, Hawaii 96796

<http://kvmh.hhsc.org/procurement/>