

SUMMARY SCHEDULE OF STATE AGENCY CONTRACTS
FOR ARKANSAS LEGISLATIVE COUNCIL REVIEW
AS REQUIRED BY ARKANSAS CODE 19-11-1006

Technical & General Services Contracts

| | | |
|---|--|--|
| 1. Agency: Office of Health Information Technology | Contractor: Cumberland Consulting | |
| | Location: Franklin | State: TN |
| Total Authorized: | Org. Term: 10/24/2016 03/31/2017 | Procurement: |
| Total After Review: | \$610,000.00 | Funding: Federal - 72% - [ONC and CMS]; State - 28% |
| Total Projected: | \$610,000.00 | Contract Number: 4600038914 |
| <u>Org/Amt:</u> | <u>Amount</u> | <u>Paid To Date</u> <u>Objective:</u> |
| | | <u>New Exp Date</u> |
| Original: | 610,000.00 | Maintaining continuity of implementation, deployment and on-boarding support services required to establish, operation and implement the Arkansas Health Alliance for Records Exchange (SHARE) and achieve a high level of SHARE adoption. |



The Prospect Building
1501 N. University Avenue
Suite 420
Little Rock, AR 72207

Office: 501.410.1999
Fax: 501.978.3940
Web: SHAREarkansas.com

Edward R. Armstrong
State Procurement Director
Office of State Procurement
Department of Finance and Administration
1509 W 7th Street, Suite 300
Little Rock, Arkansas 72201

RE: Ratification Request, Cumberland Consulting Group – Invoice #s 15034-2, 15334 in the amount of \$180,918.90.

Dear Mr. Armstrong:

The Arkansas Office of Health Information Technology (OHIT) is requesting favorable consideration for the ratification of a purchase order needed for services provided by Cumberland in the amount of \$180,918.90. These services were to provide operational onboarding to OHIT Participants.

OHIT followed the procurement process for FY2017 but failed to allow ample time for the review processes required. The contract was a Special Procurement to provide gap services needed between the end of the previous Cumberland contract and the procuring of a new vendor utilizing the request for proposal (RFP) process.

The request was submitted to the Department of Information Systems (DIS) and reviewed and passed along to the Governor's Office. The Governor's Office review process was protracted due to clarification questions related to the contract. Due to OHIT not allowing for additional time as the contracts navigate the process, the contract was not approved in time for the October contract review by the Arkansas Legislative Committee (ALC).

The vendor was not aware of the contract process and did not know that the requirements had not been met by the agency. They provided the services in good faith and did not intentionally violate State requirements.

Corrective action has been implemented by OHIT to avoid this occurring again. Moving forward all contract requests will be submitted at a minimum of six (6) months prior to the ALC meeting date the month prior to the contract end date. This will provide time for any unforeseen delays in the review process. Should we be granted the ratification, OHIT understands that approved processes must be utilized for ongoing purchase order requests.

Sincerely,

Shirley Tyson
Interim Director



SHARE is a product of the Arkansas Office of Health Information Technology



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July 25, 2016

Mr. Edward Armstrong, Director
Department of Finance and Administration
Office of State Procurement
1509 West 7th Street
Little Rock, AR 72201-3966

Dear Mr. Armstrong:

OHH requests authorization for a special procurement for eight months, through March 2017 with Cumberland Consulting Group, LLC, formerly Oleen Pinnacle Healthcare Consulting, LLC. The purpose of the procurement is to permit the Office of Health Information and Technology to continue to provide technical and operational services to SHARE's customers until personnel technical resources can be hired and trained and a successor operational vendor can be selected through the Request for Proposal process.

For the reasons outlined in the memorandum below, OHH requests your approval for this special procurement. If you have any questions, do not hesitate to call me. Thank you,


Shirley Tyson
Interim HIT Director/Coordinator



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TO: Edward Armstrong, OSP Director
FROM: Shirley Tyson, Interim HIT Coordinator/Director
DATE: July 22, 2016
SUBJ: Sole Source Approval Request

a) What is the unusual or unique situation that justifies special procurement?

The Office of Health Information Technology requests Special Procurement consideration for its procurement of technical and operational services from Cumberland Health Care, LLC. Cumberland has been the provider of technical and operational services since the inception of the State Health Alliance for Records Exchange (SHARE). Currently, OHIT is in the middle of a Request for Proposal (RFP) process to identify a successor vendor qualified to perform the operational outreach services for SHARE. The operational resources which Cumberland will provide are intended to cover the time gap until the RFP process is complete.

With respect to the technical resources, the Office of Personnel Management authorized OHIT to hire two technical resources in early July. OHIT recently learned that the previously identified technical personnel will not be available for hire. Consequently, in order to prevent a gap in OHIT's ability to provide technical services to its customers, OHIT requests permission to continue to use Cumberland's technical resources until qualified personnel can be hired and trained.

b) Why, under the situation presented, competitive procurement is contrary to the public interest;

As stated above, OHIT is pursuing competitive procurement for the operational resources and anticipates that process being completed within eight months. OHIT anticipates being able to hire and train the needed technical resources within eight months.

The RFP process is underway and OHIT is diligently seeking qualified technical personnel to fill the positions.

c) How long the unusual or unique situation that justifies special procurement as an alternative to competitive procurement is expected to last;

OHIT expects the duration of the alternative consideration need for a period not to exceed eight months.

d) The duration of the contract and, if it exceeds the anticipated duration of the unusual or unique situation used to justify special procurement, what rationale justifies making the duration of the



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contract exceed the anticipated duration of the unusual or unique situation used to justify special procurement; and

As stated above, the duration of the contract is for eight months. There will be no continuation of the contract past the time period of this unique situation. Should OHIT be able to complete the RFP process for operational services or hire and train the qualified technical resources prior to the eight month timeframe, that portion of the contract will be terminated.

e) The particular contractor selected and the reasons for the selection

Cumberland Health Care, L.L.C. was selected because it has provided technical and operational resources for OHIT. Cumberland's resources are familiar with OHIT's operational and technical work plans and the Cumberland resources are able to provide the needed services in the requested timeframe.



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SPECIAL PROCUREMENT DETERMINATION

From: Edward R. Armstrong
State Procurement Director
Office of State Procurement, Department of Finance and Administration

Date: August 10, 2016

Subject: Special Procurement for the Office of Health Information Technology

Pursuant to Ark. Code Ann. § 19-11-263, the Director of the Office of State Procurement (OSP) may initiate a special procurement when the director determines that an unusual or unique situation exists that makes applying the requirements of competitive bidding, competitive sealed bidding, or competitive sealed proposals contrary to public interest. Ark. Code Ann. § 19-11-263(a). This determination must be in writing and explain the basis for the special procurement and for the selection of the particular contractor.

The Office of Health Information Technology (OHIT) is in the middle of a Request for Proposal (RFP) process to identify a vendor qualified to perform operational outreach services for the State Health Alliance for Records Exchange (SHARE). During the time needed to procure through the regular method, operational and technical service must still be provided to SHARE users. OHIT attempted to hire internally two technical employees but recently learned that neither would be available for employment. In order to prevent a gap in operational and technical service, OHIT wishes to extend the contract with its current provider Cumberland Health Care, LLC. (Cumberland).

Based on the information OHIT has provided to me in the attached request, which I have relied on and which I incorporate herein by reference, a unique and unusual situation exists under which it would be contrary to the public interest to apply all the requirements of competitive bidding, competitive sealed bidding, or competitive sealed proposals to procure operational and technical services for OHIT/SHARE for the short duration of time necessary to complete the procurement process that has already commenced. It is impracticable to allow an eight (8) month gap in operational and technical support for SHARE, which could seriously jeopardize the stability and usability of the system. The current RFP is expected to result in a new contract anticipated in no later than April of 2017.

Because the current operational and technical service is currently supplied by Cumberland, and Cumberland is familiar with the needs of OHIT and operational functions of SHARE, it should be the contractor who provides service under the terms of the special procurement and resulting contract. Risking the stability of the SHARE network, which provides medical records services across Arkansas and is relied upon by hospitals, clinics, physicians, pharmacies, and patients

would not be in the best interest of the state and this risk can be avoided by means of special procurement with the incumbent provider.

For the aforementioned reasons, I authorize O'HIT to initiate a special procurement of a contract for an eight (8) month period with Cumberland as per its request, and to seek any further review required by law.

Respectfully,

A handwritten signature in cursive script, reading "Edward R. Armstrong". The signature is written in dark ink and is positioned above the printed name and title.

Edward R. Armstrong
State Procurement Director