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|  <p>HAWAII HEALTH SYSTEMS CORPORATION "Touching Lives Everyday"</p> <p>Policies and Procedures</p> | <p>Department: Legal Department</p> | <p>Policy No.: ADM 0026</p> |
| | <p>Issued by: Rene McWade VP & General Counsel</p> | <p>Revision No.: N/A</p> |
| <p>Subject: Retention of Outside Counsel (Non-Insurance Related Matters)</p> | <p>Approved by:  HHSC Corporate Board By: Raymond Ono Its: Secretary/Treasurer</p> | <p>Effective Date: November 13, 2008</p> |
| | | <p>Supersedes Policy: N/A</p> |
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- I. **Purpose:** To define criteria and procedures applicable to retention of outside counsel (attorneys and law firms) by Hawaii Health Systems Corporation ("HHSC") facilities, regions and corporate office in non-insurance related matters.

This policy shall not apply to matters potentially covered by the HHSC insurance program. For such matters, HHSC personnel shall follow pertinent insurance company guidelines and directives regarding retention of counsel.

- II. **Policy:** Outside counsel may be retained by authorized HHSC personnel on behalf of: a single region or facility; two or more regions or facilities jointly; or by the corporate office, alone or in combination with one or more facilities or regions. For regions with employed regional counsel, regional counsel will be the Attorney in Charge with respect to attorney retentions by and for that single region, unless otherwise specified in the retention agreement. Further, one or more regions involved in a particular matter may unanimously designate an HHSC regional counsel as the Attorney in Charge for that matter, with advance notice to General Counsel. The HHSC Vice President and General Counsel ("General Counsel") is the Attorney in Charge with respect to all other outside counsel retentions, unless otherwise delegated by General Counsel. All HHSC personnel authorized to retain outside counsel shall consult and collaborate with the office of General Counsel, and any employed regional counsel for their respective region, to ensure that retentions of outside counsel are entered into, conducted and maintained to the mutual economic and business advantage of all regions and the corporate office, to the extent possible.

III. **Guidelines:**

- A. General Counsel shall enter into and maintain contracts with outside counsel for legal services on behalf of the system. Regional system boards as well as the corporate board shall have the ability to utilize the services of these contractors. A regional system board may also enter into its own agreements with outside counsel, subject to applicable policies and procurement rules.

- B. Prior to retaining outside counsel, a facility or region shall consult with HHSC General Counsel and Regional Counsel for any other facility or region involved in or potentially impacted by the proposed retention to ensure the absence of conflicts of interest and to identify other retentions of the same counsel or for similar services within the system, in the interest of economy and efficiency.
- C. When outside counsel performs work on behalf of regions or facilities without Regional Counsel, or for more than one region, HHSC General Counsel shall monitor and manage such retentions, except as otherwise requested by the Regional CEO and/or Regional System Board.
- D. Work product prepared by outside counsel (e.g. memoranda, opinions, forms) may be circulated to and among HHSC counsel in the mutual best interest of HHSC and all regions, if approved by an authorized representative of the corporate or regional management that paid for the subject work product. Regions may adopt confidentiality precautions and policies with respect to the sharing of such work product.
- E. All legal bills for outside counsel retained in non-insurance related matters shall conform to the HHSC Litigation Guidelines.
- F. Prior to approving the retention of experts and consultants, the Attorney in Charge shall consult other Regional Counsel and HHSC General Counsel to ensure the absence of conflicts of interest elsewhere within HHSC and in the interest of economy and efficiency.

IV. Applicability: All HHSC facilities, HHSC staff, regional and corporate boards.

V. References: HRS §323F-9, 28-8.3.