

**HAWAII HEALTH SYSTEMS CORPORATION  
NOTICE OF AND REQUEST FOR EXEMPTION  
FROM CHAPTER 103D, HRS**

**EX-035**

**1. TO:** Chief Procurement Officer

**2. FROM:** Jeff Eilers, Chief Information Officer

Department/Division/Agency Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

**3. Description of goods, services or construction:** The Siemens Soarian System consists of several financial and clinical applications including SIS, Syngo and MS4. In February, 2013, when HHSC began to implement Soarian across its facilities, the HHSC needed real-time assistance to support its end users to utilize the EMR applications. Siemens Managed Services unit, recently sold to Cerner Health Services, has provided staffing for the HHSC Help Desk for all of the Siemens/Cerner applications through the HHSC "go live" period. This request seeks to extend that support for an additional one year period, while the HHSC implementation is completed.

**4. Name and Address of Vendor:** Cerner Health Services, Inc.  
51 Valley Stream Parkway,  
Malvern, Pennsylvania 19355

**5. Price:** \$200,000.00

**6. Term of Contract:** From: 9/1/15 To: 8/31/2016

**7. Prior Exemption Ref. No.** EX13-019

**8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:** The HHSC Electronic Medical Record (EMR) system implementation has been in process since February, 2013. During the intervening period, HHSC has utilized Siemens (and since February 2014, Cerner Health Services) to provide primarily back-up support to the HHSC staff in all of the Soarian applications. HHSC had anticipated completing its "Go Live" schedule and to have a fully functional HelpDesk (including the hire of qualified staffing knowledgeable in the Soarian applications) by August 31, 2015. However, the implementation for two HHSC facilities remains to be completed (due to unanticipated delays), and HHSC has not been able to hire the needed help desk staffing in this period as previously expected. The EMR vendor, Cerner's Managed Services division continues to be most effective and efficient resource for HHSC to provide support for all of the EMR applications during the "go live" periods and to those sites who have been implemented but need adoption support. Cerner is best suited to provide this level of immediate user support on all of its applications until such time as HHSC is able to hire and train sufficient permanent help desk staff. It continues to not be feasible or resource efficient to bring in a third party vendor to learn all of the Cerner applications to provide this support. Therefore, procurement by competitive means at this time is neither practical nor advantageous to the State.

**9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:** The term of this agreement will not exceed 12 months. The Exemption period will thus provide HHSC with flexibility to train its internal help desk staff or allow enough time to fill HelpDesk staffing needs via competitive means.

**10. A description of the agency's internal controls and approval requirements for the exempted procurement:** The Exemption Request is reviewed by HHSC senior management and then forwarded to the corporate director of contracts management for additional review in accordance with HHSC policies and procedures. The President and CEO of HHSC (or his delegated CPO) approves the exemption requests covering more than one facility and in accordance with internal procurement policies and procedures. HHSC policies and procedures will be followed and periodic reviews of the contract action will be performed.

**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		
Joe Evanoff	Director Contracts/Materials Management	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Jeff Eilers	Chief Information Officer	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Clifford Caesar	Director of Human Resources	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Heath Hollenbeck	Director Technical Services	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Renee Lai	Director of IT Operations	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Edward N. Chu	HHSC Chief Financial Officer	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct Inquiries to:

Contact Name: Andrew Alvarez  
Phone Number: 808.442.5212

13. Agency shall ensure adherence to applicable administrative and statutory requirements  
I certify that the information provided above is, to the best of my knowledge, true and correct.

Department Head (Print: )

Date

Jeff A Filers

7/29/15

Reserved for CPO/Delegee Use Only

14 .Date Notice Posted: 7/28/15

The CPO is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days or as otherwise allowed from the above posted date to:  
Chief Procurement Officer, HHSC, 3675 Kilauea Ave., Honolulu, Hawaii 96816

Chief Procurement Officer's comments:

15.  APPROVED

DISAPPROVED:

NO ACTION REQUIRED

  
HHSC Chief Procurement Officer - Signature

8/6/15  
Date