

EX 06-07



**STATE PROCUREMENT OFFICE  
NOTICE OF AND REQUEST FOR EXEMPTION  
FROM CHAPTER 103D, HRS**

1. TO: Chief Procurement Officer

2. FROM: HMC Pharmacy

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:

Pharmedium is a specialty manufacturer of intravenous infusion solutions that are not available through the major manufacturers such as Baxter, B. Braun etc. Specialty ready to use infusion medications, Cefazolin 2gm/100ml NS, Midazolam 100mg/50ml NS, Fentanyl 20mcg/ml 100ml, and Oxytocin 20 units/500ml are a few examples the these type of products. These medications are commonly used by physicians but not produced by drug manufacturers.

4. Name of Vendor: Pharmedium Services, LLC

Address: Two Conway Park  
150 North Field Drive, Suite 350

Lake Forest, IL 60045-4847

5. Price:

\$45,000

6.

Term of Contract:

From: 6-01-2006

To: 07-01-2007

7. Prior Exemption Ref. No.

8. Explanation describing how procurement by competitive means is either not practicable nor advantageous to the State:  
Another company that manufactures ready to use IV infusions is CAPS (a B.Braun extension). They do not meet our needs as they lack the choices in controlled substances (i.e. narcotics) infusions. CAPS is also not taking on new accounts as all sites are at maximum production.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

Requested product lists and pricing from Pharmedium and CAPS. Researched internet for specialty pharmacy manufacturers, excluded any compounding pharmacy, as they lack manufacturing license. Discussed product line with CAPS representative and was informed that they are not able to open any new accounts. Pharmedium's product line much broader and they are able to take on new orders.

**REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)**

10. A description of the agency's internal controls and approval requirements for the exempted procurement:  
 The major requirement is that contractor at minimum be able to provide Fentanyl/bupivacinae epidural mixtures, fentanyl infusions bags, midazolam infusion bags, cefazolin 2gm infusion bags, oxytocin infusion bags and magnesium sulfate infusin bags in stable ready to use forms.

12. 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            |   |
|--------------|--------------------------------|-----------------------------------|---|
| Nelson Nako  | Pharmacy Supervisor            | <input type="checkbox"/> Approval | <input type="checkbox"/> Administration |
| Debbie Kaina | Materials Management suprvisor | <input type="checkbox"/> Approval | <input type="checkbox"/> Administration |
|              |                                | <input type="checkbox"/> Approval | <input type="checkbox"/> Administration |
|              |                                | <input type="checkbox"/> Approval | <input type="checkbox"/> Administration |
|              |                                | <input type="checkbox"/> Approval | <input type="checkbox"/> Administration |

13. Direct inquiries to: Department: Pharmacy  
 Contact Name: Nelson Nako, Pharm.D.  
 Phone Number: 974-4790  
 Fax Number: 974-4788

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

4-5-06  
 Date

16. Date Notice Posted 4-5-06

The Chief Procurement Officer 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 calendar days or as otherwise allowed from the above posted date to:

Chief Procurement Officer  
 State Procurement Office  
 P.O. Box 119  
 Honolulu, Hawaii 96810-0119

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

Chief Procurement Officer's comments:

16.

APPROVED

DISAPPROVED

Designee

*Thomas Driskill, Jr.*  
Chief Procurement Officer

*04/13/06*  
Date

Thomas Driskill, Jr. President/CEO, HHSC