

EX 07-004

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

1 TO: Chief Procurement Officer
2 FROM: Ronald J. Schurra, Chief Executive Officer, East Hawaii Region

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

<p>3 Description of goods, services or construction: Provide secure storage for health care related records including patient health information, medical records, imaging films, cine films, fetal monitor strips, video tapes, optical disks, patient accounting, general accounting, human resource records, medical staff records and administrative records. Provide retrieval, delivery and release of records. Regular requests shall be picked-up/delivered by Contractor within 24 hours of requests at HMC and weekly at Ka`u Hospital. STAT requests for records shall be picked-up/delivered within 2 hours of request.</p>	
<p>4 Name of Vendor: Micro Imaging Hawaii, Inc. Address: 16-843 Kipimana St. #20 Keaau, HI 96749</p>	<p>5 Price: NTE \$315,000</p>
<p>6 Term of Contract: 3 yrs From: March 20, 2007 To: March 19, 2010</p>	<p>7 Prior Exemption Ref. No. N/A</p>
<p>8 Explanation describing how procurement by competitive means is either not practicable or advantageous to the State: Medical Record storage services must meet stringent requirements for quality control and timeliness of response. Response time for specific types of medical record pick-up/delivery is within two (2) hours of request. Only one vendor that provides medical record storage services is located on the Big Island. Vendors from other islands may be able to provide the services, but air travel to transport materials between islands requires a minimum of four (4) hours notice and generally longer.</p>	
<p>9 Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: A Request for Quotations (RFQ) was conducted in March 2006. Five vendors received the RFQ and only Micro Imaging Hawaii, Inc was able to meet the qualifications and specifications of the requested service and submitted a quotation. It is neither practicable or advantageous to HHSC to solicit bids for this service. The service is essential and the specifications of the scope of work are required for compliance. There are other vendors providing these services but none who can meet the requirements for timely pickup and delivery of medical records.</p>	

10. A description of the agency's internal controls and approval requirements for the exempted procurement:
 The Director of Contract Management reviews requests for exemptions for sufficiency prior to submission to the President and CEO for action. HHSC policies and procedures will be followed and periodic reviews of contract action will be completed.

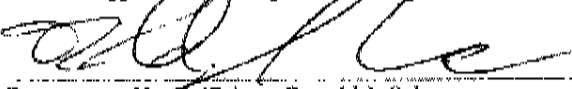
11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

Name	Position	Involvement in Process	
Ronald J. Schurra	CEO, East Hawaii	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Julie Rukstad	CFO, East Hawaii	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration
Julie-Beth Ako	Director of Clinical Support Services	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Lula Smith	Director of Medical Records	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

12 Direct inquiries to: Department: Medical Records
 Contact Name: Lula Smith
 Phone Number: 974-6776
 Fax Number: 974-6795

Agency shall ensure adherence to applicable administrative and statutory requirements

13 I certify that the information provided above is, to the best of my knowledge, true and correct.


 Department Head (Print: Ronald J. Schurra) Date 1-31-07


Reserved for CPO/Delegee Use Only

14 Date Notice Posted 2-1-07

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

 02/10/07
 Chief Procurement Officer Date