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

1. TO: Chief Procurement Officer
2. FROM: Jon Sakata

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:
Computerized Peri-operative charting software module that is part of our existing ORSOS/OneCall scheduling program along with the required hardware, training, implementation, and support services. The ORSOS system currently in use in all of the OR departments at HHSC captures and manages the operational data for the department including scheduling patient information, charging, inventory, and equipment management. Much of the day to day information is captured on paper at point of care and is subsequently input in to the ORSOS system by clerical staff. This module will allow staff at point of care to enter information in the OR. This will improve data capture, work flow, and quality of data.

4. Name of Vendor: PST Products, Per-Sc Technologies
Address: 300 West Morgan Street, Suite 175
Durham, NC 27701

5. Price: $64,000

6. Term of Contract:
From: 04/01/07
To: 12/31/09


8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:

Purchasing this module from a different vendor other than the supplier of the current OR operating software would require the state to procure additional and redundant interfaces, databases and hardware including:

1. At least two interfaces from both the OR operating software vendor and the vendor of the Peri-operative software vendor. Industry average for interfaces is $10,000 - $15,000 per side of an interface, two interfaces would be 4 sides or $40-60,000 worth of interfaces.
2. Additional databases and additional database server – estimated cost of $15-20,000

In addition to extra services, hardware, and software at the implementation of the product, there would be additional operational and upgrade costs and effort as well as additional risk and exposures in the form of:

1. CDC staff would be required to monitor and support additional interfaces.
2. TSD staff would be required to upgrade, patch, backup an additional database server.
3. ASD, interface programmers, and vendors would need to test and maintain interfaces during the upgrade of either product.
4. Users and ASD staff would be required to spend hundreds of main hours build, test and maintain master databases in both systems correctly for procedures, inventory, providers, staff. Failure to do so would result in failure, or invalid data in documentation.
9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

Not seeking a competitive action in this application due to the integrated aspect of this solution. Implementing a solution from a different vendor would require costs exceeding the proposed project at implementation, and would create unnecessary exposure and costs during normal operations and during the upgrade of either products. It is in the best interest of HHSC to select an integrated solution from a single vendor rather than a separate solution from a new vendor.

10. A description of the agency’s internal controls and approval requirements for the exempted procurement:
   Description of need and purchase request for services will be reviewed internally by the senior management staff for completeness and then will be referred to Contract management for recommendations. Senior management will support and request final approval from the HHSC President and CEO, who will sign the request.

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

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<tr>
<th>Name</th>
<th>Position</th>
<th>Involvement in Process</th>
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<tbody>
<tr>
<td>Barbara Kahana</td>
<td>VP &amp; CIO</td>
<td>☐ Approval ☐ Administration</td>
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<td>Alice Chal</td>
<td>General Counsel</td>
<td>☐ Approval ☐ Administration</td>
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<td>Tom Driskoll</td>
<td>CEO</td>
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12. Direct inquiries to:
   Department: Information Technologies
   Contact Name: Jon Sakata
   Phone Number: 808.733.4067
   Fax Number: 808.733.4091

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.

[Signature]

Department Head (Print: ______________________ Date: 03/22/2007)

Reserved for CFO/Delegee Use Only

HHSC PUR Policy 0017  Nov 2006 PUR 007
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:

☐ APPROVED ☐ DISAPPROVED

☐ NO ACTION REQUIRED

14 Date Notice Posted 3-12-67

15 [Signature] 07/10/09
Chief Procurement Officer Date