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

1. TO: Chief Procurement Officer
2. FROM: Maui Memorial Medical Center

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 vendor, Ethicon, a subsidiary of Johnson and Johnson, produces Gynecare products, which are various disposable and implantable products and instrumentation for gynecological and urological surgeries. An exemption is sought for purchase of Gynecare supplies to be used with an existing piece of MMMC-owned equipment located in the operating room known as a “Morcellator” used in performing Hysterectomies.

4. Name of Vendor: Ethicon
5. Price: $40,000

Address: P.O. Box 151
Somerville, NJ 08876-0151

6. Term of Agreement: From: Upon date of executed Agreement
To: Two Years

7. Prior Exemption Ref. No.: N/A

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

No other vendor produces the disposable supplies needed for the “Morcellator”, equipment located in the MMMC Operating Room used for Hysterectomies, and it is not possible to purchase the supplies through another vendor.

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 the exemption will be for a two (2) year period. MMMC will re-evaluate services in the community and other possibilities to determine if any other vendor could provide such products. Based on available information and research the best procurement practice will be completed.
10. A description of the agency’s internal controls and approval requirements for the exempted procurement:

This exemption shall be from HRS, Section 103-302. All other guidelines, rules and policies under Chapter 103D shall be upheld. 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:

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Involvement in Process</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wesley Lo</td>
<td>Regional Chief Executive Officer</td>
<td>X Approval, Administration</td>
</tr>
<tr>
<td>Patrick Saka</td>
<td>Regional Chief Operating Officer</td>
<td>Approval, X Administration</td>
</tr>
</tbody>
</table>

12. Direct inquiries to:
Department: Contacts Manager
Contact Name: Andrew Alvarez
Phone Number: 808 442-5212
Fax Number: 808 442-5462

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: Patrick Saka, COO) Date: 12/3/07

Reserved for CPO/Delegate Use Only

14. Date Notice Posted: 12/8/07

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

Chief Procurement Officer Date: 12/7/07

HHSC PUR Policy 0017 Nov 2006 PUR 007