

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

EX Number: EX-14-003

1. TO: Chief Procurement Officer

2. FROM: Jay Kreuzer

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 following enhancements are proposed in order to meet the HHSC's EMeRGE electronic medical record (EMR) implementation, including to meet 2014 Meaningful Use Requirements:

1. Healthcare Intelligence Application/Upgrade: Healthcare Intelligence Applications incorporate the functionality of certain Applications and Third Party Software previously licensed by HHSC that now require a new application to meet HHSC EMR implementation requirements. In addition to the previously licensed applications and Third Party Software, purchase of Healthcare Intelligence application in order to upgrade to the Healthcare Intelligence suite of applications.

Existing Applications That Will Comprise Part of Healthcare Intelligence. In the table below, those previously-licensed items are in the "Previously Licensed Applications" column and the new Healthcare Intelligence Applications that replace them are in the "New Applications" column.

Previously Licensed Application/Service	New Application
• Decision Support Services – Base	• Financial and Clinical Intelligence
• Decision Support Services – Clinical Performance	• Clinical Intelligence
• Soarian Clinical Embedded Analytics	
• Soarian Analytics – Clinicals	
• Soarian Quality Measures	• Quality Measures Intelligence
• Decision Support Services – Financial Performance	• Financial Intelligence
• Soarian Analytics – Financials	
• Decision Support Services Cost Accounting and Budgeting	• Cost and Budget Intelligence

2. MobileMD and Advanced Interoperability Service (AIS): CONTRACTOR will grant HHSC access on a subscription basis to the MobileMD Service and Advanced Interoperability Service. The MobileMD Service will allow HHSC to provide health information exchange ("HIE") and to electronically transmit Data between HHSC and participating Practices, Business Partners, Providers. The AIS is a data interchange service provided by CONTRACTOR to HHSC that provides Continuity of Care Documentation ("CCD") via an industry standard platform. AIS supports HIE in sending and retrieving data.

3. Professional Services Resources: CONTRACTOR will provide up to 11,000 consultant hours to assist with the EMR implementation, adoption, assimilation and workflow improvements.

4. Name and Address of Vendor: Siemens Healthcare 51 Valley Stream Parkway, Malvern, Pennsylvania 19355	5. Price: approximately \$2,500,000
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6. Term of Contract: From: Date of Execution To: July 20, 2020	7. Prior Exemption Ref. No.
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8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:

Both the Healthcare Intelligence Application and the MobileMD/Advanced Interoperability Service are part of the HHSC's EMR/HIS implementation, and as such enable Soarian to perform with maximum effect and efficiently for HHSC patients and staff. As integral parts of the EMR system, a separate competitive process for the required routine operating and on-going support of each application is neither practical nor possible and thus it is most advantageous to the State to continue to procure the services through the EMR provider.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: Due to the reasoning outlined in #8 above, direct negotiation with the EMR CONTRACTOR to procure, install, customize, and deploy the Healthcare Intelligence Suite of applications and the MobileMD and AIS Services will take place. Each product directly integrates with the current Soarian system and enhances the viability of the HHSC EMR implementation.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

This exemption shall be from HRS, Section 103D-303, and 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 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	
Jay Kreuzer	Chief Information Officer - Administrator	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Paul Tsukiyama	VP & Director of HR	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Edward Chu	Corporate CFO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:

Contact Name: Jay Kreuzer
Phone Number: 808-322-4433

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.


 _____ Date 9/23/13

Department Head (Print: _____)

Date

Reserved for CPO/Deputy CPO Only

14. Date Notice Posted: _____

9/23/13

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

10/1/13
Date