STATE OF HAWAII
NOTICE OF SOLE SOURCE

The Chief Procurement Officer is in the process of reviewing the request from the Department of IS/IT for the sole source purchase of the following goods, services, or construction:

Software upgrade, software maintenance (2 years), system configuration and Formulary Support Services for Medicare Part D claims processing.

Vendor: Lifecare Technologies, Inc.
Address: 4905 B Creekside Drive
Clearwater, FL 33760

Term of Contract: From: 1/1/06 To: 12/31/07 Cost: $234,000
Address:

Direct any inquiries to:
Department: IS/IT
Contract Name/Title: Glenn Nanamori
Address: 3675 Kilauea Ave., Honolulu, HI 96817

| Phone Number: 733-4036 |
| Fax Number: 733-4028 |

A copy of this notice of sole source shall be posted by the Chief Procurement Officer and the purchasing agency in an area accessible to the public, at least seven (7) calendar days prior to any approval action.

Submit written objections to this notice to issue a sole source contract within seven (7) calendar days from the date this notice was posted to:

Chief Procurement Officer
Thomas M. Driskill, Jr.
3675 Kilauea Avenue
Honolulu, HI 96816

SPO Form -1 (Rev. 7/1/02)
STATE OF HAWAII
REQUEST FOR SOLE SOURCE

TO: HPA
FROM: HHSC IT - Applications
(Department/Division/Agency)

Pursuant to §103D-306, HRS, and Subchapter 9, Chapter 3-122, HAR, the Department requests sole source approval to purchase the following:

Description of goods, services, or construction:
Software upgrade, software maintenance (2 years), system configuration and Formulary Support services for Medicare Part D claims processing.

Name of Vendor: LifeCare Technologies, Inc.
Address: 4905B Creekside Drive
Clearwater FL 33760
Cost: $234,000

Term of Contract: From: 1/1/06 To: 6/30/07

The goods, services, or construction has the following unique features, characteristics, or capabilities:

HHSC currently uses the Performance Pharmacy System from LifeCare Technologies, Inc. and the software vendor is provided an upgrade to comply with the new Medicare Part D requirements which will be in effect on 1/1/06.
REQUEST FOR SOLE SOURCE (Cont.)

How the unique features, characteristics, or capabilities are essential for the agency to accomplish its work:

Software is proprietary to LifeCare Technologies, Inc.

The following other possible sources for the goods, services, or construction were investigated but do not meet our needs because:

Software is proprietary to LifeCare Technologies, Inc.

Direct questions to: ___________________________ Phone: ___________________________

I certify that the information provided above is to the best of my knowledge, true, correct and that the goods, services, or construction are available through only one source.

[Signature] 11/30/05
Department Head or Designee Date

VP & CIO
Title (If other than Department Head)

Chief Procurement Officer's comments:

Please ensure adherence to applicable administrative and statutory requirements.

Expenditure may be processed through a purchase order: Yes □ No. □ If no, a contract must be executed and funds certified.

[Signature] 12/01/05
Chief Procurement Officer Date

SPO Form -1 (Rev. 7/1/02)

2