

LIMITED SOURCES JUSTIFICATION
ORDER >\$3,000
FAR PART 8.405-6(g)

Pharmacy MedStations-- Iron Mt VAMC

2237 Transaction # or Vista Equipment Transaction #: 585-14-1-135-0001

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 3 below is sole source, therefore, consideration of the number of contractors required by FAR Subpart 8.4 – Federal Supply Schedules, is precluded for the reasons indicated below.

Restricted to the following source: Provide original manufacturer's name for material or contractor's name for service. (If a sole source manufacturer distributes via dealers, ALSO provide dealer information.)

Manufacturer/Contractor: CareFusion Corporation – VA FSS Contract V797P-4012B
Manufacturer/Contractor POC & phone number: 888-867-4287
Mfgr/Contractor Address: 3750 Torrey View Court, San Diego, CA 92121
Dealer/Rep address/phone number: Julie Lucero, Portfolio Specialist, 858-617-6236

The requested material or service represents the minimum requirements of the Government.

(1) AGENCY AND CONTRACTING ACTIVITY: U.S. Department of Veterans Affairs
Great Lakes Acquisition Center
185 S 84th St, Suite 101
Milwaukee WI 53214-1476
VISN: 12

(2) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:
Request to award a firm-fixed price delivery/task order to CareFusion Corporation, VA FSS Contract V797P-4012B, for the lease of Pyxis® MedStations at the Iron Mountain VAMC for the period of 10/1/12 – 9/30/14.

(3) (a) A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:
The Iron Mountain VAMC is presently leasing several Pyxis MedStations® which are manufactured by CareFusion. The Pyxis automated dispensing systems provide a cost-effective means of providing 24/7 dispensing at point of care. The system provides secure storage and drug accountability. The contractor provides all necessary labor, management, skills, materials, etc. required to install, train and maintain the MedStation system. The systems are integrated in the VA computer system.

(b) ESTIMATED DOLLAR VALUE: ████████████████████

(c) REQUIRED DELIVERY DATE: Stations are currently installed and in use at the Iron Mountain VAMC

(4) IDENTIFICATION OF THE JUSTIFICATION RATIONALE (SEE FAR 8.405-6), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE.

Specific characteristics of the material or service that limit the availability to a sole source (unique features, function of the item, etc.). Describe in detail why only this suggested source can furnish the

requirements to the exclusion of other sources.

The contractor will be leasing the equipment to the Iron Mountain VAMC. The contract is responsible for all service and maintenance of the equipment. CareFusion Solutions, LLC is the only manufacturer and distributor of the Pyxis® MedStation Dispensing equipment and currently does not have any distributors that provide main frame equipment and parts. CareFusion Solutions, LLC does not currently have any sub-contractors trained or certified to perform on any of the Pyxis® Dispensing equipment nor have any intentions of sub-contracting out this performance at this time. A discussion is being held at the VISN level to determine how to proceed with these dispensing systems in the future.

A patent, copyright or proprietary data limits competition. The proprietary data is: As the product manufacturer, CareFusion Solutions, LLC holds proprietary rights over the Pyxis® software and hardware. This software and hardware is critical to ensure continued compatibility with the existing interfaces between the Pharmacy and the Veterans Health Information Systems and Technology Architecture (VistA) in which medication prescriptions are submitted and directly transferred to the units for dispensing. Other competitive contractors have similar equipment but have software proprietary to their own equipment. In order for other vendor equipment to work with the existing Pyxis® MedStations an interface program would be required. This would cause the government to incur additional costs and time and would require that the entire automated Pharmacy dispensing systems to be shut down for the installation new equipment and integration of new software in the VistA system.

The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system. As described above, the Pyxis® MedStations includes the leased equipment and proprietary software. The system currently in use is compatible with VistA and Windows 7 Operating System and will allow a direct transition into the Iron Mountain VA Medical Center and automated Pharmacy dispensing systems.

(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.4 TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

Due to the proprietary nature of the parts, components, firmware and software, the Pharmacy and Inventory Management system required is being provided in accordance previously negotiated prices under NAC V797P-4012B. CareFusion is offering additional discounts from the FSS pricing for both the lease of the equipment and the service support of the system.

(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

A search of the Mandatory National Acquisition Center Medical Surgical Contracts was performed. Only one vendor, CareFusion Corporation – VA FSS Contract V797P-4012B, was found capable of satisfying agency needs and is the only authorized distributor of this product. See attached Vendor Proprietary Letter. Also, a search of GSA Advantage identified 27 contractors under category A-92 but from this number there only 5 that provide the equipment for dispensing of medications. Although some of this equipment possibly work with the CareFusion manufactured Pyxis, it would take the building of new interface programs. Incurring additional costs and time would not be a benefit to the VA due to the need for the medication to be being provided to the patients of the facility.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

See attached officer market research memo and vendor proprietary letter.

(8) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:

It is anticipated that during FY14 a VISN-wide review of this equipment will be conducted and a decision made on how to proceed with the process. It will be determined if the equipment should be purchased or if a VISN-wide BPA should be put in place for leasing this type of equipment. Continued leasing of the existing equipment at this time is the best option for ensuring that there will be minimal, if any, interruption to patient care.

(9) REQUIREMENTS CERTIFICATION: I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4. (This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)

Lea Morgan
SIGNATURE

09/18/2013
DATE

Lea Morgan, MBA, RPh
NAME

Chief of Pharmacy Services
TITLE

Pharmacy
SERVICE LINE/SECTION

Iron Mountain VA Medical Center
FACILITY

(10) APPROVALS IN ACCORDANCE WITH FAR 8.405-6(d):

a. CONTRACTING OFFICER'S CERTIFICATION (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Rose Birkholz
CONTRACTING OFFICER'S SIGNATURE

9/18/2013
DATE

Rose Birkholz
Contracting Officer

Great Lakes Acquisition Center
FACILITY

c. NCM/PCM/DESIGNEE: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

James R. Hedman
SIGNATURE

Digitally signed by James R. Hedman
DN: cn=US, ou=James R. Hedman, o=VHA, ou=GLAC
Date: 2013.09.20 07:30:03 -0500

DATE

For Christine Hansen
VISN 12 NCM