

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, NCO 20

2. **Nature and/or Description of the Action Being Processed:** PR # 663-14-1-9968-0006 is for Philips Clinical Information System (CIS) software for ICU is currently installed in the Puget Sound Health Care System. The value for this firm fixed price purchase order is \$83,627.90. The period of performance is 21 December 2013 through 20 December 2014.

This procurement is in accordance with FAR 13.5 Test Program for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2 IAW the VHA SOP for Other Than Full And Open Competition dated 3-22-2011.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:**

Onsite software/Hardware maintenance, repair and support services for the Philips CIS software/hardware currently installed at the Puget Sound Health Care System.

4. **Statutory Authority Permitting Other than Full and Open Competition:**

The statutory authority for restricting competition under SAP, or Single Sourcing, for acquisitions over \$150,000 or Simplified Acquisition Threshold (SAT) is 41 U.S.C. 253(c), as implemented by FAR 13.106-1 and FAR 13.5 and specifically FAR 13.501 under Simplified Acquisition Procedures Commercial Items Test Program.

- (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
- (2) Unusual and Compelling Urgency per FAR 6.302-2;
- (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
- (4) International Agreement per FAR 6.302-4
- (5) Authorized or Required by Statute FAR 6.302-5;
- (6) National Security per FAR 6.302-6;
- (7) Public Interest per FAR 6.302-7;

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**

The specific reason for restricting competition is that Philips Healthcare is the manufacturer

of the ICIP system and its critical software/hardware. The applications software is highly specialized software which is used for capturing, storing, and retrieving ICU waveforms and data and is proprietary to Philips Healthcare System and that no other support vendor can obtain. This is a major system for the ICU department that displays the data in CPRS which depends on this proprietary software that the Philips system utilizes. The purchase of a new system far exceeds the cost of the supported needed from Philips.

Although the VA technical staff at the local facilities supports part of the system related to windows 2008 server, the complexities of the entire system prevents the VA technical staff from maintaining it solely in house, and there is no other known contractor with the knowledge and expertise on the files and Health Level Seven Standard Interface (HL7) streams function.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:**  
There is no other potential source neither qualified nor certified to perform maintenance on this equipment/software. Vendor has proprietary rights to software used to maintain this equipment. A notice of intent to award a sole source action will be published on FBO
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:**  
This contractor will provide information (i.e. other than cost or pricing data), which could include commercial price lists and prices for similar or the same services provided to other customers, to assist the Contracting Officer in determining if the contractor's proposed price is fair and reasonable for the services to be provided. The Contracting Officer anticipates the cost of this procurement to be fair and reasonable.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:**  
Market research was not conducted since the Phillips CIS system and supporting software is proprietary.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:**  
No other facts to report
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** None
11. **A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required:**  
None

12. **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 and belief.



Eric Thomas  
VISN 20 Biomedical Support Specialist  
Portland

11/20/2013  
Date

13. **Approvals in accordance with FAR 6.304**

a. **Contracting Officer's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.



Erik K. Berg  
Contracting Officer  
Specialized Tem, NCO 20

12/12/13  
Date

b. **NCM/PCM (Required \$3K and above):** I certify the justification meets requirements for other than full and open competition.



Brian Thomas  
Specialized Team Manager  
NCO 20

12-17-2013  
Date