

## DEPARTMENT OF VETERANS AFFAIRS


### Justification and Approval

For

### Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, VISN 04, 00642 Medical Center, Medical Service, 642-12-2-315-0111, Contracting Module UID: VA244-14-AP-0517.
2. **Nature and/or Description of the Action Being Processed:** Request to purchase a GIVEN PillCam SB3 system for the Endoscopy Department. This will be a new award and not a modification to an existing contract. The PillCam SB3 system is an upgrade to the existing PillCam System currently in place and in use.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** This request is to purchase a GIVEN PillCam SB3 system for the Endoscopy Department at a total cost of \$55,246.50. This system is an upgrade to the existing PillCam system currently being used by the Endoscopy Dept. The upgrade in GIVEN's PillCam system will increase its frame rate from 2 per second to 6 per second to provide more complete and detailed visualization. Additionally, PillCam's SB 3's video processing engine has improved to allow for smarter video compilation thus increasing efficiency by 40%. The upgrade will improve overall image quality, tissue coverage and interpretation efficiency.
4. **Statutory Authority Permitting Other than Full and Open Competition**
  - (X) (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 Endoscopy Department currently has in place a GIVEN PillCam system. This requirement is of an upgrade to its current hardware and software that will provide improved image quality, tissue coverage and interpretation efficiency. GIVEN's PillCam's upgrade consists of proprietary technology called Adaptive Frame Rate which allows the capsule to recognize when it is moving faster within the small bowel and when doing so, increase its frame rate from 2 per second to 6 per second. Additionally, GIVEN's PillCam software also uses a proprietary algorithm that removes up to 40% of redundant images for a faster "read" time, as well as includes increased image optimization. Due to the proprietary nature of the upgrade, no vendors can replace or adjust to the current Pillcam system currently in place.


6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Not applicable. Due to the proprietary nature of GIVEN's PillCam upgrade, no vendors can replace or adjust to the current Pillcam system currently in place.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The price is deemed fair and reasonable as the GIVEN's PillCam system quote is in step with other commercial vendors similar endoscopy equipment pricing. Additionally, GIVEN has extended a \$2,173.50 discount as a good faith gesture since the warranty of the current PillCam has expired.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** GIVEN has one small business distributor, JLS Distributor. However, due to the proprietary rights of the items reflected in GIVEN's quote, JLS Distributor was unable to provide a quote and thus fulfill the customer's requirement.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** No other facts to note.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Not applicable.
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:** : No actions are planned to overcome the communications barriers to foster competition at this time. As noted, GIVEN has proprietary rights to the PillCam system and thus cannot be competed.
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.

  
\_\_\_\_\_  
Name: David Kaplan, MD  
Title: Interim Chief/GI Section  
Facility: PVAMC

3/13/14  
\_\_\_\_\_  
Date

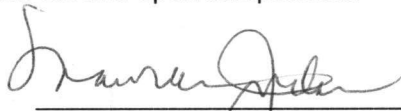
13. **Approvals in accordance with FAR 6.304**

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

  
\_\_\_\_\_  
Name: Donna Toliver  
Title: Contracting Officer  
Facility: PVAMC

3/19/2014  
\_\_\_\_\_  
Date

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

  
\_\_\_\_\_  
Name: Maureen Jordan  
Title: Deputy Chief of Acquisitions  
Facility: NC04

3/19/14  
\_\_\_\_\_  
Date

- c. **SAO (If over 650K):** I certify the justification meets requirements for other than full and open competition.

**NOT APPLICABLE**

Name  
Director  
Service Area Office, East

\_\_\_\_\_  
Date

- d. **VHA HCA Review and Approval:** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (if over \$12.5 million) or approve (\$650K to 12.5 million) for other than full and open competition.

**NOT APPLICABLE**

Name  
Chief Procurement and Logistics Officer  
VHA Head of Contracting Activity (HCA)

\_\_\_\_\_  
Date

- e. **VA Deputy Senior Procurement Executive Approval (over \$12.5 million but not exceeding \$50 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for other than full and open competition.

**NOT APPLICABLE**

C. FORD HEARD  
Deputy Senior Procurement Executive (DSPE)  
Office of Acquisition and Logistics  
Department of Veterans Affairs

\_\_\_\_\_  
Date

- f. **VHA Senior Procurement Executive Approval (over \$50 million):** I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for other than full and open competition.

**NOT APPLICABLE**

Jan R. Frye  
Deputy Assistant Secretary for Acquisition and Logistics  
Senior Procurement Executive (SPE)  
Department of Veterans Affairs

\_\_\_\_\_  
Date