

A patent, copyright or proprietary data limits competition. The proprietary data is:
(If FAR 8.405-6(a)(2)iii before posting. Do not include specific proprietary data. Only mention the type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)

These are "direct replacements" parts/components for existing equipment.

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.

The current Physiological Monitoring System utilized in the Minneapolis VA Healthcare System is manufactured by GE Medical Systems. This upgrade is for only the ICU portion of the Physiological Monitoring System utilized in the Minneapolis VA Healthcare System. The system is proprietary to the manufacturer GE Medical Systems; all parts and services required for the upgrade are specifically designed to work together and are only compatible with other GE Medical Systems equipment, components and infrastructure.

The new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.

An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

(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:

IAW FAR 8.404(d), this is fair and reasonable.

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

The MVAHCS upgraded the GE Medical System for physiological and telemetry monitoring systems in the Surgery and Telemetry areas in 2008 at a cost of ~ \$4.8M. The telemetry upgrade replaced end of life components of the system which were installed in 1988. Technology assessments and other planning for a new system have been active for several years at MVAHCS. Much market research was completed to review current vendor products, assess clinical and technical features, and determine budgetary cost of the project. GE Medical Systems, Phillips Medical Systems, SpaceLab Monitoring, and several other high-market share manufactures all produce excellent Physiological and Telemetry Monitoring Systems, which would meet the clinical and technical requirements of the Minneapolis VA Healthcare System. However, the project cost and scope is quite different from encumbant vendor vs. competing vendor(s) (i.e., Upgrade vs. Replacement). Each of these manufacturers have designed and developed systems which are configured to optimize reliability and patient safety of acute care patients which require physiological monitoring of vital signs. As a result, Physiological and Telemetry Monitoring Systems are highly-propriety to each unique manufacturer. The systems are comprised of many hardware components, wiring distribution systems, and interfaces. In addition, the systems require much design and planning to properly and safely install. Installation of hardware and infrastructure is nearly 50% of the overall cost of the system. Budgetary upgrade cost of the GE Medical System is \$1.8M. Whereas Phillips, SpaceLabs, and other vendors have a budretary replacement cost each in excess of \$7M. The GE proposal to upgrade is specifically designed to re-use much of the same infrastructure of the previous system; whereas Phillips, SpaceLabs, and other vendors would need to completely tear-out the existing infrastructure and replacement it with thier propriety infrastructure at significantly greater cost to MVAHCS. In addition, an upgrade project can be executed

much more quickly and with less disruption and training to clinical staff. On this bases, MVAHCS executive leadership concurs with the this request to upgrade the current GE Medical System - Physiological and Telemetry Monitoring System.

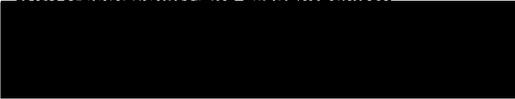
GSA was searched and it was determined that GE Medical Systems can provide all components of the upgrade through their contract. GE was called to determine if there are any other authorized vendors that can provide the upgrade. GE stated that the only other authorized vendor is Jaken Medical. Jaken Medical was contacted to determine if they can provide the upgrade. They stated that they can provide the upgrade via open market but that most of the items are not available through their GSA contract.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION: None

(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:

Market research will be conducted for future physiological monitoring system upgrades to determine if there are other vendors available that can provide compatible equipment.

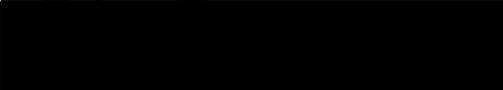
(9) REQUIREMENTS CERTIFICATION: I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge. I understand 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.)*


Director Biomedical Instrumentation Svc - MVAHCS

4/22/2014
DATE

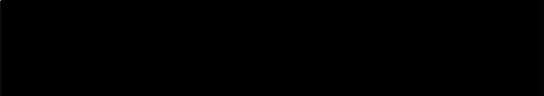
(10) APPROVALS IN ACCORDANCE WITH FAR 8.405-6(d):

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


Contracting Officer, NCO 23 - St. Cloud

4/22/14
DATE

b. NCM/PCM/DESIGNEE: I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief and I approve this limited sources justification.


Directing of Contracting, NCO 23 - St. Cloud

4/23/2014
DATE

HIGHER LEVEL APPROVAL (Required For orders over \$650,000):

c. SAO: I certify the justification meets requirements for restricting consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4.

[Redacted Signature]

Acting Director, SAO CENTRAL

DATE

1 May 14

d. VHA HCA REVIEW AND APPROVAL (over \$650,000 to \$10 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 restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4

[Redacted Signature]

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

DATE

5/5/14