

**JUSTIFICATION FOR SINGLE SOURCE AWARDS IAW FAR 13.106-1  
(OVER MICRO-PURCHASE THRESHOLD(\$3K) BUT NOT EXCEEDING THE SAT (\$150K))**

IAW FAR13.104, COs must promote competition to the maximum extent practicable to obtain supplies and services from the source whose offer is the most advantageous to the Government, considering the administrative cost of the purchase. When competition is not practicable, IAW FAR13.106-1(b), COs solicit from a single source for purchases not exceeding the simplified acquisition threshold. COs may solicit from one source if the CO determines that the circumstances of the contract action deem only one source reasonably available (e.g., urgency, exclusive licensing agreements, brand-name or industrial mobilization). IAW FAR13.106-3(b)(3), COs are required to include additional statements **explaining the absence of competition** (see 13.106-1 for brand name purchases) if only one source is solicited and the acquisition does not exceed the simplified acquisition threshold (does not apply to an acquisition of utility services available from only one source) or supporting the award decision if other than price-related factors were considered in selecting the supplier. This template when completed can be used to document single source awards IAW FAR13.106-3(b)(3). Note: Statements such as "only known source" or "only source which can meet the required delivery date" are inadequate to support a sole source purchase.

**1. PURCHASE REQUEST OR REQUISITION NUMBER:**  
673-15-1-074-0102

**1A. PROJECT/TASK  
NUMBER**  
VA248-15-AP-0347

**1B. ESTIMATED AMOUNT:**  
\$9,000.00

**2. BRIEF DESCRIPTION OF SUPPLIES OR SERVICES REQUIRED AND THE INTENDED USE:**

This request is for hemofiltration blood circuit sets to be used by the Intensive Care Unit (ICU) and Coronary Care Unit (CCU). The hemofiltration set is a filter that works with an ultrafiltration Gambro Congestive Heart Failure Solutions (CHFS) machine. The machine is hooked up to the patient and it filters blood from the patient to withdraw excess fluid and then returns the blood back to the patient. The goal of this process is to remove excess fluids quickly from all of the patient's blood. A filter may last up to 72 hours depending on the patient and thinness of the blood. A patient would require more than one filter. These filters are exclusive in its design and characteristic as well as being machine specific.

This action was awarded as an Emergency Purchase Order for two (2) Boxes of the hemofiltration sets. Each box was \$4,500.00. Total price \$9,000.00.

**3. UNIQUE CHARACTERISTICS THAT LIMIT AVAILABILITY TO ONLY ONE SOURCE, WITH THE REASON NO OTHER SUPPLIES OR SERVICES CAN BE USED:**

The CHFS machines in the ICU and CCU areas are the only machines that currently provide this service to our Veterans. These hemofiltration kits are only available from Baxter Corporation and will work with the existing equipment at hospital. Reference Original Equipment Manufacturer (OEM). Salient Characteristics for item # 114156: Molecular weight cutoff 65,000 daltons, Membrane surface area 0.12 m2, Priming volume 7.0 mL, Albumin rejection > 98% (at maximum ultrafiltration rate), Hollow fiber filter, 1 liter collection bag, Infusion line, Withdrawal line, Waste line, Sterile Disposable, and Cartridge clips.

**4. REASON THAT SUGGESTED SOURCE IS THE ONLY SOURCE, WHICH CAN PROVIDE THE SUPPLIES OR SERVICES:**

There are no distributors/manufacturers other than Baxter. Baxter Corporation is the only source for the filtration sets.

**5. DESCRIPTION OF MARKET RESEARCH CONDUCTED AND RESULTS OR STATEMENT WHY IT WAS NOT CONDUCTED:**

The Contract Specialist conducted market research via Google, National Acquisition Center (NAC), General Services Administration (GSA) Advantage, Federal Procurement Data System (FPDS), Fed-Biz-Opps, eCMS, Vista, communication with customer, Industry and Small Business.

Communication with Vendor (Michelle Dunn, Baxter Supervisor of Government Contracts)

Baxter acquired Gambro Renal in October 2014. On 10/23/2014 Baxter confirmed that they are the only source for these hemofiltration sets, the items are not under mandatory FSS schedule and they have no distributors. Baxter provided a signed confirmation of their price for the hemofiltration set on 11/10/2014. Baxter provided a screen shot of their internal system where price is loaded by customer, which included their price listed for Item # 114156 for the Tampa Veterans Affairs (VA).

**Communication with Customer (Catherine Burns, VA Nurse Staff)**

Catherine confirmed on 11/14/2014 that the ICU/CCU does not use any other similar equipment that can be compared to the hemofiltration sets. There are no true comparisons to the filtration technology. The only other comparison that could be made is to compare the hemofiltration process to dialysis. The hemofiltration process is where the patient is hooked up to the ultrafiltration machine which does not require a dedicated nurse to monitor the process because the blood is filtered on its own whereas a patient receiving Continuous Renal Replace Therapy (CRRT) dialysis would require a dedicated nurse to be there thru out the process. Catherine the subject matter expert has validated that the hemofiltration set is the only one of its kind and need to be bought for healthcare reasons.

**Communication with Small Business (Derrick Williams, VA Small Business Specialist)**

Derrick confirmed on 11/17/2014 that he does not have any information on similar items/manufacturer to compare the hemofiltration sets too. He confirmed that sole source requirements are not exempt from the 2268 process and in order to purchase from Baxter a signed justification is required.

**Market Research Findings via Internet**

The NAC and GSA Advantage searches produced no results for hemofiltration sets. The Google search produced Gambro as a source for hemofiltration set. The eCMS and Vista data base search showed the same item # 114156 procured as sole source in the past. Price comparison from prior sole source purchase history indicates that the price from 03/05/2013 thru 11/04/2014 has not changed. FPDS findings indicate Gambro hemofiltration blood circuit sets were purchased from Gambro Renal Products for Tampa VA. NCO-8 placed order, VA248-13-P-6643 in 10/2013 amount \$13,500.00 for three (3) boxes at \$4,500.00 each. An emergency order VA248-15-P-0347 was placed on 10/29/2014 to purchase two (2) boxes at \$4,500.00 each from Baxter. A sources sought was issued in Fed-Biz-Opps on 11/5/2014 to seek sources that can provide Gambro Hemofiltration set part # 114156 or equal that can work with Gambro Congestive Heart Failure Solutions (CHFS) machine. No responses received and the Sources Sought closed on 11/12/2014.

Based on the above findings, there were no competitive quotes from past purchases, no identical/similar items in the industry, no published price/catalog to compare and establish fairness and reasonableness of the price. Baxter did provide a screen shot of their internal system where price is loaded by customer, which included their price listed for Item # 114156 for the Tampa Veterans Affairs (VA). Based on the market research and reasonable basis of the Contracting Officer's knowledge of the item and that it is the only one of its kind in the market the estimated cost is deemed fair and reasonable.

In order to overcome any barriers to competition, the government will continue to survey the market place for alternative technologies and sources that can satisfy its minimum needs, and will utilize competitive procedures as circumstances allow.

**6. Contracting Officer's Certification:** *Purchase is approved in accordance with FAR13.106-1(b). I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.*

Signature: Ronald D. Music  
Name: Ronald Music  
Title: Contract Officer  
Facility: NCO 8

Date: 17 Nov 2014