

**LIMITED SOURCES JUSTIFICATION**

**ORDER >\$150,000**

**FAR PART 8.405-6**

**2237 Transaction # or Vista Equipment Transaction #: 618-16-1-109-0002**

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 – Pyxis Products Division

Manufacturer/Contractor POC & phone number: (858) 617-6222

Mfgr/Contractor Address: 3750 Torrey View Ct., San Diego, CA 92130

Dealer/Rep address/phone number: Kaseem Jones/# 858-617-6222

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

**(1) AGENCY AND CONTRACTING ACTIVITY:**

Department of Veterans Affairs

Network Contracting Office, VISN 23

4801 Veterans Drive

St Cloud Minnesota

56303-2099

**VISN:**

23

**(2) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:**

Sole Source Justification to award a rental contract for CareFusion's Pyxis System for the Minneapolis VAHCS (MVAHCS) located in Minneapolis, MN. This system is used widely across the MVAHCS campus to dispense medications to Veterans. Our intent is to award a new delivery order for one year against Federal Supply Schedule FSS V797P-4012B

**(3) (a) A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:**

MVAHCS requires a follow on delivery order for the Pyxis MedStation medication dispensing system and supporting equipment. Estimated value for this procurement is \$536,484.00 (one year). Equipment is currently in place from a previous contract. The one year start date for this acquisition is 01 October 2015 with and ending on 30 September 2016. This acquisition is based off a National contract FSS V797P-4251B (MOD P00099):

<http://www.gsaelibrary.gsa.gov/ElibMain/contractorInfo.do?contractNumber=V797P-4012B&contractorName=CAREFUSION+SOLUTIONS%2C+LLC&executeQuery=YES>

Existing Equipment from FY15:

QTY Description

11 MedStation 4000 Profile- 6 drawer main with 5 cubies

12 MedStation 4000 Profile - 6 drawer main with 4 cubies

<u>QTY</u>	<u>Description</u>
5	MedStation 4000 Profile - 6 drawer main with 3 cubies
1	MedStation 4000 Profile - 6 drawer main with 1 cubies
2	MedStation 4000 Non-Profile - 6 drawer main with 3 cubie
4	MedStation 4000 Profile - 2 drawer main with 1 cubie
6	MedStation 4000 Non-Profile - 2 drawer main with 0 cubie
12	MedStation 4000 Non-Profile - 2 drawer main with 1 cubie
1	MedStation 4000 - Profile Console with 1 printer, monitor and UPS
1	MedStation 4000 - Pyxis Workstation with 1 printer, monitor and UPS
2	MedStation 4000 - Single Column Auxiliary with 4 doors and zero drawers
3	MedStation 4000 - Double Column Auxiliary with 8 doors and zero drawers
1	Double Column Narcotics Vault Auxiliary with 8 doors and zero drawers
1	Remote Manager
1	CII Safe Control Station Dbl Column Integrated Main w/7 doors, 1 rapid access drawer
1	CII Safe printer
1	CII Safe label printer (zebra)
1	CCE Server
1	Virtual Test System, PC with peripherals

**New Equipment for FY16:**

<u>QTY</u>	<u>Description</u>
1	MedStation 4000 Non-Profile - 2 drawer main with 1 cubie for final ED remodel
1	MedStation 4000 Profile - 6 drawer main with 5 cubies for new 4E inpatient unit
1	MedStation 4000 Profile - 6 drawer main with 5 cubies for OR satellite pharmacy
1	MedStation 4000 Profile - 6 drawer main with 5 cubies for hybrid OR remodel
1	Remote Manager for Eye clinic remodel
13	Additional cubie drawers (two 2xhalf-height; eleven full-height)

**(b) ESTIMATED DOLLAR VALUE:** \$536,484.00

**(c) REQUIRED DELIVERY DATE:** 1 October 2015

**(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 MVAHCS currently utilizes the Pyxis MedStation system and requires a follow-on delivery order. The Pyxis MedStation is the MVAHCS major system for dispensing medications. CareFusion is the sole manufacturer and exclusive provider of sales and service for Pyxis products in the United States. CareFusion does not contract these services to 3rd parties; therefore there are no other sources capable of meeting the requirement. The MVAHCS requires a highly specialized, integrated medication dispensing system that can be used on medical units, within primary and specialty care clinics, the operating rooms, and emergency department all tied into the facilities main pharmacy system as well as being interfaced with the VA VISTA patient records system. Choosing a new company to replace the

MVAHCSs existing use of the Pyxis MedStation system would cost the government additional time and money to remove and replace all dispensing equipment. Replacement would also result in significant implementation costs as it relates to time and training of personnel on using the new system, transferring of all medications from the old system to the new system (re-stocking equipment), and formulating a backup distribution plan while one system is brought off line and a new system is brought online. Replacing the Pyxis MedStation system would also impact Veteran patient care through increased wait times for medication disbursement, unacceptable delays in filling prescriptions, as well as increased risk of medication dispensing errors during the changeover. The current Pyxis MedStation system is already interfaced with the VA VISTA and CPRS patient charting system. CareFusion has an FSS Contract (V797P-4012B) which covers leased Pyxis equipment and offers discounted pricing based on VISN usage

☒ A patent, copyright or proprietary data limits competition. The proprietary data is: CareFusion is the sole manufacturer and exclusive provider of sales and service for Pyxis products in the United States.

☐ 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 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:**

In accordance with FAR (Federal Acquisition Regulation) 8.404 (d), GSA has already determined the price to be fair and reasonable. The Contracting Officer will ensure that prices are in line with the FSS contract.

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

Market Research was conducted between 24 April 2015 and 1 June 2015 using the search term "Automated Medication Dispensing System" and reviewed vendor catalogs for multi-drawer mobile secure medication dispensing cabinets. Also reviewed contractors listed under FCS Group 65-II (Medical Equipment and Supplies, A-92 (Medication and Supply Packaging and Dispensing Equipment). It is deemed more cost effective to continue leasing the Pyxis MedStation equipment at the FSS pricing rather than purchase this equipment and paying for upgrades and replacement. The impact to Veteran care is deemed too great to introduce an entirely new system.

**(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:**

The Minneapolis VAHCS at this time is not pursuing a new system for medication storage and dispensing system. Such action is both costly and time consuming not only from an administrative point of view but also staffing. A long-term plan to include an Integrated Planning Team (IPT) will need to be developed to determine if a new system is required, feasible, and evaluate which systems would meet the requirements of a medical facility of the size of the Minneapolis VAHCS.

The Minneapolis VAHCS will discuss the option of creating a five year, sole-source contract to continue using the Pyxis/CareFusion MedStation system after FY2016 or pursue a new system and vendor. This determination should be made before October 2015 in order to allow adequate time to create an acquisition plan, make a solicitation, and award a contract.

**(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.)

Sheila Johnson

7/15/15

SIGNATURE

DATE

Sheila Johnson, PharmD

Acting Pharmacy Chief (7/9-23/15) Pharmacy

NAME

TITLE

SERVICE LINE/SECTION

Minneapolis VAHCS

FACILITY

**(10) APPROVALS IN ACCORDANCE WITH THE VHAPM, Volume 6, Chapter VI: OFOC SOP:**

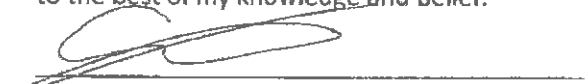
**a. CONTRACTING OFFICER'S CERTIFICATION (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.



MELANIE STOCKMAN  
CONTRACTING OFFICER  
NCO 23-ST. CLOUD, MN

14 July 2015  
DATE

**b. Director of Contracting/DESIGNEE:** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.



CHRISTOPHER VOLK  
BRANCH CHIEF, COMMODITIES  
NCO 23-FARGO, ND

7/14/15  
DATE