

LIMITED SOURCES JUSTIFICATION

ORDERS >\$3,000

FAR PART 8.405-6(g)

2237 Transaction # or Vista Equipment Transaction #: 618-11-4-1207-0748 64

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: Medcare Products, FSS contract: V797P-4158aManufacturer/Contractor POC & phone number: Steve Sowada, President, 800-695-4479Mfr/Contractor Address: 151 East Cliff Road, Burnsville, MN 55337Dealer/Rep address/phone number: Direct buy from Medcare (manufacturer sells direct, no channel)

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

1. AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans AffairsVISN 23 Contracting Office (00618)708 S. 3rd St. Suite 200EMinneapolis, MN 55415

VISN:

23

2. NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:

Follow on delivery order of Medcare patient lift products for expansion of existing Medcare system already installed throughout the Minneapolis VAHCS hospital, One Veterans Drive, Minneapolis, MN 55417. This is a logical follow on action to the FY10/FY11 acquisition of Medcare Products via a competitive FSS solicitation, and subsequent installation of same in 214 patient care locations.

a. A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:

Motorized safe patient handling ceiling lift motors, track, hanging bars and related equipment.

b. ESTIMATED DOLLAR VALUE: \$376,150.00c. REQUIRED DELIVERY DATE: 90 days ARO

3. 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. (CHECK ALL THAT APPLY AND COMPLETE)

☐ 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.

☐ A patent, copyright or proprietary data limits competition. The proprietary data is:

☐ 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.

No other manufacturer's system fully integrates with the installed Medcare Products system. With lifts already installed in 214 patient locations, the system is a vital component of patient care throughout the Minneapolis VA hospital. Medcare Products is the original equipment manufacturer and the sole distributor/supplier of the equipment required.

☒ 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.

The original FSS solicitation VA-263-10-RQ-0163 was issued across all A-76 schedule holders. Competitive offers were submitted by six (6) FSS contractors: 4MD Medical, Arjo, Barton Medical, Guldmann, Liko and Medcare. A competitive range was established, followed by clinical/technical evaluations of the actual systems offered. Medcare Products was awarded order 618-A09521 under its FSS contract V797P-4041B.

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

4. DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.404(d) TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

As described above, this is a logical expansion and improvement of existing infrastructure, intended to improve patient care in the Minneapolis VA hospital. Acquisition via the same FSS contract ensures continued utility of the existing system, reduces ongoing system maintenance costs, improves caregiver system knowledge and ability to safely use the lifts and has already been proven to reduce staff and patient injuries (down 38% since installation of the first 214 lifts). Of particular importance is consistent use of the accessories associated with the patient lifts, e.g. slings, repositioning sheets, lift bars. We selected Medcare originally because they allow use of other manufacturers' products with their lifts. This is not the case with most other manufacturers. Most will void equipment warranties if other manufacturers' slings, for example, are used with their lifts. Additionally, the mixing of accessories within the patient care environment increases the risk or error and increases staff and patient risk. With only one, consistent system in place, training time and risk of improper equipment use are reduced. This acquisition therefore represents the best value in comparison with any other alternatives, e.g. installation of a mix of competitive products would require all caregivers learn each new system installed. In accordance with FAR 8.404(d) GSA has already determined pricing to be fair and reasonable. The acquisition's primary advantage – complete compatibility with the existing infrastructure – reduces administrative costs and risk. Most importantly, it represents the best approach to improved patient care.

5. DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:

Medicare has confirmed that the only source for the required system components is medicare itself. The required services and supplies are non-developmental, commercial items.

6. ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

Based on the size and complexity of the system, switching to any competitor's system would not be cost-effective. A complete replacement of the existing, installed system at Minneapolis would exceed \$2.3 million: original equipment order \$1,241,970 618-A09521, installation \$974,650 VA263-C-1046.

7. 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 Department of Veterans Affairs continuously seeks improvements in patient care, including analysis of new medical systems developed by the commercial marketplace. While this specific acquisition is a logical follow on to a previously competed FSS acquisition, the Minneapolis VA will consider other vendors and products at time of planned replacement of the full system.

8. REQUIREMENTS CERTIFICATION: I certify that the requirement outlined in this justification is a bonafide 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.)

Nancy Kirchner, RN, BAN
SIGNATURE

9-2-11
DATE

NANCY KIRCHNER
NAME

RN, BAN, COORDINATOR
TITLE

SAFE PATIENT HANDLING
DEPARTMENT

MINNEAPOLIS VA HEALTH CARE SYSTEM
FACILITY

9. APPROVALS IN ACCORDANCE WITH FAR 8.405-6(h):

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

Michael Reed
CONTRACTING OFFICER'S SIGNATURE

9-6-11
DATE

Michael Reed Contracting Officer
NAME AND TITLE

VISN 23
FACILITY

HIGHER LEVEL APPROVAL (For orders over \$500,000): ☐ REQUIRED ☐ NOT REQUIRED

b. **QA OFFICER:** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief. **This signature may be the VISN NCM if the Contracting Officer and Contracting Supervisor is the same individual.*

Ben A. Seitz
SIGNATURE

9-6-2011
DATE

BEN A. SEITZ
VISN 23 QUALITY ASSURANCE COMPLIANCE SPECIALIST

c. **NCM/or Designee:** 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.

Daryl A. Berg
DARYL A. BERG
VISN 23 NETWORK CONTRACT MANAGER

9/6/2011
DATE