

DEPARTMENT OF VETERANS AFFAIRS

**Justification and Approval (J&A)
For
Other Than Full and Open Competition (>\$150K)**

Acquisition Plan Action ID: VA69D-16-AP-5810

1. **Contracting Activity:** Department of Veterans Affairs, NCO 12, Great Lakes Acquisition Center, 115 S 84th St, Suite 101, Milwaukee, WI on behalf of the Edward Hines VA Hospital, Hines, IL for purchase request 578-16-4-384-0178 and 578-17-1-167-0004.
2. **Nature and/or Description of the Action Being Processed:** Justification and approval for a new sole source firm fixed-price contract for a continued and uninterrupted rental of Fujifilm Gastrointestinal (GI) endoscopes at the Hines VA Hospital, Hines, IL in accordance with FAR 13.5, Simplified Procedures for Certain Commercial Items and specifically FAR 13.501 Special Documentation Requirements, where acquisitions conducted under Simplified Acquisition Procedures are exempt from the requirements of FAR Part 6, but still require a justification using the format of FAR 6.303-2.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** One year rental of Fujifilm GI endoscopes and digital processors to provide patient care for veterans at the Hines VA Hospital. The current contract expires on September 28, 2016. The proposed contract will be for one year. The estimated value of this contract is \$312,000.00. In accordance with the VHA National Standardization of Endoscopes requirement memorandum dated 12/6/2010 from the Deputy Under Secretary for Health for Operations and Management (DUSHOM), VHA hospitals are required to use scopes from either of three manufacturers. This memorandum is included in the contract file. Rental of scopes will be from September 29, 2016 through September 28, 2017.
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;

The authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. 1901 and is implemented by for restricting competition on this procurement via FAR 13.106-1(b)(2).

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**
In compliance with the national standardization requirement, Hines VA Hospital utilizes GI endoscopes manufactured by Fujifilm. Fujifilm endoscopes cannot be used in conjunction with endoscopes leased by other manufacturers. While Hines leases some of its scopes, it still owns Fujifilm equipment with an estimated value of \$543,000, all of which would need to be replaced if another vendor were to be used as the new scopes would not be compatible with the owned equipment. In addition, Hines performs approximately 400 procedures each year with the GI scopes. If all of the Fujifilm scopes were to be replaced the station would need to shut down the clinic to switch out the endoscope reproprocessors and develop new Standard Operating Procedures. It would be impossible to replace all of the endoscopic equipment presently in use at the hospital without causing considerable harm to the patients in need of treatment.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Due to VHA requiring national standardization of GI endoscopes and the station opting to establish an agreement with Fujifilm, only offerors that can provide a rental program for Fujifilm GI endoscopes are considered. The only known potential source is Fuji therefore no offers from other sources were solicited. One other contractor is known that can provide a lease program. Micromed has a 3-year lease program for Fujifilm GI scopes on Federal supply schedule (FSS) and will be explored for the next requirement.

7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** IAW FAR 13.106-3(a)(2)(iv) price reasonableness may be shown by a comparison with similar items. Historical pricing under contract VA69D-14-C-0431 for 2014 to 2015 was \$312,000.00 and was modified to remove one item for a total of \$310,262.43. Fujifilm quote for 2015 to 2016, \$310, 262.43 is the same pricing. Pricing for this period remains the same with no increase. The CO has therefore determined that the anticipated price for this period is fair and reasonable.

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market research was conducted to determine if there were any SDVOSB/VOSB contractors that can provide rental of Fujifilm GI endoscopes and returned no contractors. NAC FSS contractors were searched to determine if any contractors provide rental of Fujifilm GI endoscopes and returned no contractors. Search of small dynamic business search through SBA returned no contractors offering rental of Fujifilm GI endoscopes. Fujifilm is the known manufacturer and it is known that they provide a rental program for GI endoscopes.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** Fujifilm has been approved for VHA national standardization and manufactures colonoscopy, gastroscopy, and duodenoscopy technology for with the Hines GI lab is currently equipped with Fujinon technology. Changing to Olympus would cost the facility approximately \$1 million dollars to retrofit Olympus equipment and would also require shutting down the GI Lab for weeks to install different GI equipment. Hines VA has utilized the Fuji equipment and found it to meet their requirements and assist in patient care/treatment and therefore chooses to continue utilizing Fuji as allowed by VHA national standardization.

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:**
Not applicable

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.

 Ron Cherry
 Assistant Chief of Logistics
 Facility

 Date

13. **Approvals in accordance with the [VHAPM, Volume 6, Chapter VI: OFOC SOP](#).**

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

09-12-2016

Jessica Rasmussen
Contracting Officer
GLAC

Date

- b. **Director of Contracting /Designee:** I certify the justification meets requirements for other than full and open competition.

Andrea Morris
NCO 12 Division Manager
GLAC

Date