

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA69D-16-Q-1156

1. **Contracting Activity:** Department of Veterans Affairs, NCO12, Great Lakes Acquisition Center, Suite 101, Milwaukee, WI 53214-1476. Transaction 695-17-1-133-0014.
2. **Nature and/or Description of the Action Being Processed:** This procurement is for a full service contract for GE Medical Systems (GEMS) Muse System and Components 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. This is a recurring firm fixed price requirement.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** Veterans Integrated Service Network (VISN) 12 requires a full service contract including preventative maintenance, emergency repair, 24/7 Technical Phone Support, remote diagnostics, software updates/upgrades and onsite response for its GEMS Muse System and Components. This Muse System services the Jesse Brown VA Medical Center, the Edward Hines Jr. VA Hospital, the Oscar G. Johnson VA Medical Center, the Capt. James A. Lovell FHCC, the William S. Middleton Memorial Veterans Hospital, the Tomah VA Medical Center, and the Clement J. Zablocki VA Medical Center. The estimated dollar value for the [REDACTED]
The period of performance for the base year is October 1, 2016 – September 30, 2017, plus four options.
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;
 - () (2) Unusual and Compelling Urgency per FAR 6.302-2;
 - () (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
 - () (4) International Agreement per FAR 6.302-4
 - () (5) Authorized or Required by Statute FAR 6.302-5;
 - () (6) National Security per FAR 6.302-6;
 - () (7) Public Interest per FAR 6.302-7;

FAR13.5 Simplified Procedures for Certain Commercial Items: 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):** GE Healthcare is the original equipment manufacturer (OEM) of the GE Muse System and Components. The Muse System is a highly specialized computer system used to communicate between VISN 12's Government-owned

GE ECG (Electrocardiogram) equipment and the Government's Computerized Patient Records System (CPRS). The Muse System is highly proprietary in relation to parts, software, electronic function and trained service technicians. GE holds the sole rights to release upgrades to the software. There are other vendors that offer similar products to GE Muse, however, VISN 12 owns the GE Muse System and components as well as GE ECG equipment, and thus, they need access to GE software updates, parts and service technicians. Without the Muse System, VISN 12 would have no access to legacy patient ECG's, as the Muse-Vista interface is the only that will allow this access. Access to these legacy ECGs are necessary for diagnosing cardiac conditions. Therefore, GE Healthcare is the only responsible source capable of satisfying the Government's requirements and no other services will satisfy the Agency's requirements.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** Market research was conducted to check for potential vendors capable of providing services as described in Section VIII below. A notice of intent to sole source (VA69D-16-Q-1156) was posted to FBO.gov on August 10, 2016 with a close date of August 17, 2016. The notice requested that interested vendors respond with a capabilities statement demonstrating the ability to complete the service. No companies responded to the notice. Searches on UNICOR, AbilityOne, GSA, Vetbiz.gov, and the Small Business Administration (SBA) Dynamic Small Business Search (DSBS) did not result in any offerors that could complete the work required.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The informal price quoted by GE Healthcare is the same price that the Government is paying on options 1 – 4 of the current contract for these services (Option 1: VA69D-13-J-3587, Option 2: VA69D-14-F-0376, Option 3: VA69D-14-F-5112, Option 4: VA69D-15-F-5765). [REDACTED] which is the same price quoted for the base and all option years for the new requirement. These prices were found to be fair and reasonable by the previous Contracting Officer.
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** As described in Section VI above, market research, in accordance with FAR Part 10, was conducted by a notice of intent to sole source the proposed acquisition, advising industry of the pending acquisition and allowing interested parties to demonstrate their ability to complete the requirements. Search of VETBIZ.gov identified no companies capable of completing the work required. Search on the SBA DSBS also identified no companies capable of completing the work required. Searches conducted using internet search engines for maintenance of GE Muse, did not identify any companies purporting to provide these services. Search on FBO.gov for GE Muse resulted in several notices of intent to Sole Source and Justification and Approvals to Sole Source for the same or similar services (20 total).
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** None.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** None.
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:** The CO will continue to conduct market research and synopsise future requirements for these same services to see if any additional vendors are capable of providing these services to the Government.

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.

Robert E Steldt
195270

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9/6/2016

Robert Steldt
Chief, Biomedical Engineering
Clement J. Zablocki VA Medical Center

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.

Jaclyn B.
Alverson 904999

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9/6/2016

Jaclyn Alverson
Contracting Officer
NCO 12

Date

- b. **Director of Contracting /Designee (Required over\$150K but not exceeding \$700K):** I certify the justification meets requirements for other than full and open competition.

Scott A Ivy
339112

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0.9.2342.19200300.100.1.1=scott.ivy@
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9/8/2016

Scott Ivy
Branch Chief, Services Contracts
NCO 12

Date