

LIMITED SOURCES JUSTIFICATION

ORDER over \$150,000

FAR PART 8.405-6

Acquisition Plan Action ID: _VA69D-17-AP-3498

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 Solutions, LLC

Manufacturer/Contractor POC & phone number: Amy Montalbano, 847-362-8496

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

Dealer/Rep address/phone number: _____

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

(1) AGENCY AND CONTRACTING ACTIVITY:

Department of Veterans Affairs

Great Lakes Acquisition Center (0069D)

115 S 84th St, Suite 101

Milwaukee, WI 53214

VISN:

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

This is a limited sources justification to establish a new contract with Carefusion for a period of 12 months.

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

The Jesse Brown VA Hospital is currently leasing approximately 51 Pyxis MedStations which are manufactured by CareFusion. The Pyxis automated dispensing systems provide a cost-effective method of providing 24/7 dispensing of pharmaceuticals at the point-of-care. The system provides secure storage and drug accountability. Included in this lease the contractor will provide all necessary labor, management, sills, materials, etc. required to install, train, and maintain the MedStation system. The system is integrated with the Veterans Health Information Systems and Technology Architecture (VISTA).

(b) ESTIMATED DOLLAR VALUE: \$526,344.00

(c) REQUIRED DELIVERY DATE: The period of performance will be 04-01-2017 through 03-31-2018.

(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.

CareFusion Solutions, LLC is the only manufacturer and distributor of the Pyxis MedStation dispensing equipment. CareFusion Solutions, LLC currently does not have distributors that provide main frame equipment and parts. CareFusion, LLC also does not currently have any subcontractors trained or certified to perform service or maintenance of the Pyxis MedStation equipment, nor does CareFusion have intentions of subcontracting out any of the service and maintenance.

A patent, copyright or proprietary data limits competition. The proprietary data is: CareFusion Solutions, LLC is the product manufacturer and possesses proprietary rights over the Pyxis software and hardware. The software and hardware is critical to ensure continued compatibility to the existing interfaces between the MedStation units and VISTA whereby supply requirements are submitted and transferred to the units for use.

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 Pyxis supply stations do not interface with any other manufacturer's equipment.

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 comparison of lease versus buy over a period of 12 months including equipment costs and monthly support costs, it would cost approximately \$1,285,622.01 more to outright purchase this system, making lease of the equipment a more cost effective alternative to purchasing. In replacing the current system with another comparable system it is anticipated that the equipment/monthly support costs would be

comparable, however, if the current system were to be replaced, all nursing and pharmacy staff, approximately 400 nurses and approximately 70 pharmacy personnel, would have to be trained on the use of the new equipment. Training would take approximately 16 hours per person and would cost approximately \$300.00 per person for an estimate of \$141,000.00 in training costs. The estimated transition time would be approximately two months and inventory of all medications would have to be conducted which would be additional costs to the facility.

Based on the preceding information, transitioning to a new system at this time would be cost prohibitive.

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

Of mandatory 65II A, category A-92-Medication and Supply Packaging and Dispensing Equipment, there were five contractors found that provide any type of dispensing equipment and four of these provide equipment for dispensing medication including Omnicell, McKesson AcuDose-Rx, Amerisource Bergen MedSelect Flex, and Ty1st AutoVault. Omnicell does not currently interface with VISTA. McKesson AcuDose, Amerisource MedSelect Flex and Ty1st AutoVault would require a new interface with VISTA, do not integrate with existing equipment at the station, and do not have an anesthesia system for use in operating rooms during surgeries. While a new interface for VISTA could be created for these other systems, there would still be no capabilities to integrate with the existing Pyxis equipment.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

Although all competitive contractors have created interfaces proprietary to their own equipment, their software would not interface directly with the existing Pyxis equipment. Based on information from the end users, operating multiple medication dispensing systems increases error risk in critical patient care areas. As a critical patient safety issue, risk of medication dispensing error must be avoided.

Leasing of the equipment is preferred to buying as leasing offers a more flexible option for taking advantage of frequent upgrades and platform changes as they become available.

(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:

At the conclusion of this period of performance the facility will re-evaluate the need for this particular equipment and future awards to the vendor.

(9) 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.

CONTRACTING OFFICER'S SIGNATURE

JESSICA RASMUSSEN, CONTRACTING OFFICER

NAME AND TITLE

3/30/2017

DATE

GLAC

FACILITY

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

30 March 2017

SIGNATURE

DATE

Mr. David Picchi, Contracting Officer

DAVID PICCHI

NCO 12, Supply Branch Chief