

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

**Acquisition Plan Action ID: VA248-17-AP-9646**

1. **Contracting Activity:** Department of Veterans Affairs, Network Contracting Office 8, James A. Haley Veterans' Medical Center [JAHVMC], funding for this request is provided under 2237 Purchase Request Number 673-17-3-084-0090.

2. **Nature and/or Description of the Action Being Processed:** JAHVMC is requesting Other Than Full and Open Competition to award a new contract for an upgrade to an existing system described below to include telemetry that is used throughout the high-activity patient care areas at the hospital.

**FAR13.5 Simplified Procedures for Certain Commercial Items:** This procurement is for an upgrade to the physiological monitoring system manufactured by Philips Healthcare 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:** The requirement is for a complete upgrade of the medical telemetry system, to replace portions of the system that are no longer supported (two areas, forty-eight patient-worn devices) with up-to-date equipment which extends current system usage throughout the remainder of the facility (five areas, one hundred eight patient-worn devices). This procurement supports a single system of patient monitored and worn devices across the facility with the need for advanced physiological monitoring including respiration and oximetry. The procurement also includes updates to all bedside monitors and central station equipment in the ED, ICUs, and PCU to enable seamless communication and transfer of patient data throughout the monitoring system. All head end and support equipment such as servers will be updated as well to enable continuity of patient care across the enterprise. Transport monitors will be updated to be consistent with monitoring equipment used in the inpatient areas for seamless transition from bed to transport, and in most cases, will use the same patient lead sets that are already on the patient. The desired delivery date is July 30, 2017. The estimated total value of this upgrade is \$2,200,000.00.

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;

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** This is a Brand Name Justification. Upgrades must be direct replacements for compatibility and optimum functionality with existing systems. An analysis was conducted for upgrading portions of the system rather than the purchase of an entirely new system. James A. Haley Biomedical & Nursing Staff found that the upgrade was more cost effective because some of the benefits of upgrading existing equipment include minimized need for staff and maintainer training, reduced down-time to perform the work, minimal infrastructure/site work required, need to stock fewer types of consumables, and a variety of patient safety concerns. Although not connected through the network, several other monitored areas of the facility are using this patient monitoring equipment and consumables and can be connected if needed. Staff can easily float between care areas and not risk patient safety incidents due to disparate equipment. The need for extensive staff training is minimized since existing equipment will remain with augmented features. Upgrading existing equipment will also minimize disturbances to patient care since there will be very little system down-time. The amount of infrastructure work required to update these systems will be minimal since with very few exceptions the equipment type will not change. Infrastructure changes can be extremely costly, for example replacing the existing Philips equipment with another acceptable brand is estimated to cost over a million dollars more than to upgrade. Philips Healthcare patient monitoring equipment is among the most highly rated group of products by Emergency Care Research Institute. Philips is the sole manufacturer of the telemetry equipment in use at the JAHVMC. Therefore, no other replacement brand meets Government needs.
6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** The manufacturer was contacted and provided three Service Disabled Veteran Owned Small Businesses (SDVOSBs) authorized to distribute the Phillips products and software. This requirement will be set-aside and competed (price only) amongst eligible vendors.
7. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** Co will make a fair and reasonable determination in accordance with FAR 13.106-3(a)(1).
8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** No market research beyond that mentioned in section 6 was conducted since it is essential that the hospital continue the use of Philips Healthcare manufactured products (hardware and software) for the system upgrade.
9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** In accordance with VAAR 819.7004 (a), the Contracting Officer shall consider SDVOSBs the highest priority for award of contracts.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Alliant Healthcare Products, The Janz Corporation, and Four Points Technology are authorized SDVOSB's distributors for Philips Healthcare and have expressed interest in this requirement. All three distributors are certified in Vendor Information Pages (VIP).
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 Contracting Officer shall post a notice that solicits interested parties to submit their respective technical capabilities for consideration in future procurements not subject to brand restrictions.