

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

Acquisition Plan Action ID: 644-17-4-260-0493 – VA258-17-AP-2212

Restricted to the following Source:

**Manufacturer:** ScriptPro

**Manufacturer Point of Contact:** Tammy Kelly

**Telephone Number:** (913) 403-5939 / **Email:** tkelley@scriptpro

1. **Contracting Activity:** Department of Veterans Affairs, VISN 18, Phoenix Network Contracting Office on behalf of Phoenix VA Health Care System located in Phoenix, Arizona has a requirement for preventative maintenance service on government owned Robotic Dispensing Systems and components. Equipment is essential to patient care and is required for dispensing patient medication.
2. **Nature and/or Description of the Action Being Processed:**  
The preventative maintenance service is a follow on contract to VA258-12-F-0094 for the period of 02/12/2017 and will expire 07/31/2017. The initial contract was a firm fixed price base plus four and extended an additional 6 months with a grand total of \$217,140.00. The estimate for the follow on contract is \$255,813.12 will be awarded as a firm fixed contract base with four (4) options for the period of 08/01/2017-01/31/2022. The purpose of this procurement is continue preventative maintenance service on government owned equipment P 200 Robotic Prescription Dispensing System with 12 slots Collating Control Center, CRS Compact Robotic Prescription Dispensing System and SP Central Expanded Platform and components located at the Phoenix VA Health Care System (PVAHCS) in Phoenix, Arizona.
3. **FAR13.5 Simplified Procedures for Certain Commercial Items: This procurement is for preventative maintenance on government on equipment essential to patient care 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.**
4. **Description of Supplies/Services Required to Meet the Agency's Needs:**  
The Phoenix VA Health Care System requires a contractor (ScriptPro) to provide certified technicians to perform comprehensive preventative maintenance and repair services on highly technical prescription dispensing equipment and components in accordance with original manufacturer's recommendations and specifications. ScriptPro will provide all travel, labor, personnel, equipment, tools, materials, supervision and other items necessary to provide corrective repair, routine maintenance and inspections, and software updates and upgrades for this equipment. This software is proprietary in nature. The prescription dispensing system and components is very critical component to the hospital and providing excellent patient care. Base price for the period 08/01/2017-01/31/2018 monthly cost is \$4,737.28 and will remain the same for the remainder of the contract.



5. **Statutory Authority Permitting Other than Full and Open Competition:** *41 USC §3304(a)(1), as implemented by FAR 6.302-1. The specific paragraph must be cited. Most likely, only the -1 or -2 authorities will be cited. Please be aware that failure to adequately plan for future requirements does not constitute appropriate use of the unusual and compelling urgency statutory authority.*

- ( 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).*

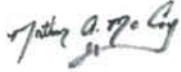
6. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** Under FAR Part 6.302-1 only one responsible source and no other supplies or services will satisfy agency requirements. ScriptPro is identified as the only responsible source for providing preventative maintenance service and support of the ScriptPro equipment currently owned and in use by the Phoenix Veterans Affairs Health Care System (PVAHCS). The equipment and system software is a proprietary in nature and ScriptPro holds the proprietary rights on the manufactured equipment and software. The continued effort in maintaining the equipment is vital to patient care at the Phoenix VA Health Care System located in Phoenix, Arizona. This instrument dispenses prescriptions and medications for patients of the Phoenix VA Medical Health Care System. Preventative maintenance is pertinent in dispensing tasks which are subject to human error and preventing medication or prescription cross contamination. The machine dispenses the medication from the cell to the vial. It is capable of filling, labeling, and dispensing approximately 150 prescriptions per hour. This software is proprietary in nature. Research indicates that this is a sole-source requirement. The requirement requested by the Phoenix, Arizona VA Healthcare System on government-owned equipment manufactured by ScriptPro meet the description outlined in FAR, Part 2.101 and maintenance service defined in FAR Part 37.101. ScriptPro is a small business, with a proven history of successful performance on requirements of this type. To maintain the continuity of the instrument's warranty the preventative maintenance must be provided by ScriptPro. If service is performed by an unauthorized dealer, it will void the manufacturer's warranty.

7. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:**  
Based on market research conducted through Federal Business Opportunities, Interagency Contract Directory, and VetBiz, a sources sought or request for information notice was not issued.



8. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:** The anticipated cost to the government is determined to be fair and reasonable based on historical contract pricing, internet resources, and list pricing. Historical pricing was retrieved from eCMS on prior year's contracts. In addition research was performed in FPDS-NG and on the internet to determine contractor pricing to be fair and reasonable.
9. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market Research was conducted in accordance with FAR Part 10. There is currently one contract Phoenix VA Health Care System is currently using for preventative maintenance services for their robotic prescription dispensing system and components to meet their requirement. The contract was awarded to ScriptPro under a sole source firm-fixed price award in the amount of \$217,140.00. An independent government estimate (IGE) was submitted by the requiring activity for this procurement based on market research. There is a 15% price increase between the previous contract of five years and the new contract. Price is determined to be fair and reasonable based on historical pricing.
10. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** Based on the above market research results, it is recommended that this requirement be awarded a Firm-Fixed Price (FFP) Sole-Source, IAW FAR 13.106(b)(1), as only the single source identified is capable of fulfilling the contract in its entirety.
11. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** .  
None.
12. **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 Phoenix VA Health Care System in Phoenix, Arizona does anticipate future acquisitions for preventative maintenance services for its pharmaceutical robotic dispensing system manufactured by ScriptPro. A firm-fixed price award sole source award is anticipated as long as the contractor ScriptPro remains the sole proprietor of its equipment and software systems. ScriptPro is also currently identified as the sole provider of the ScriptPro Customer Technical Support Plan. Although ScriptPro equipment and software are proprietary it can be purchased through ScriptPro or Veterans Healthcare Supply Solutions. Unless the Phoenix VA Health Care System procures a new medication dispensing system which does not contain proprietary in nature or proprietary software, the need will continue to exist.
13. **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. I understand that processing of this limited sources justification restricts consideration of the required sources required by FAR Subpart 8.4.
14. **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.

Other Than Full and Open Competition (OFOC) Request for Sole Source Justification Format >\$150K



Digitally signed by NATHAN A MCCOY 1358052  
DN: dc=gov, dc=va, o=internal, ou=people,  
0.9.2342.19200300.100.1.1=nathan.mccoy@va.gov, cn=NATHAN A MCCOY 1358052  
Date: 2017.04.20 07:53:00 -0700

Nathan A. McCoy  
Contracting Officer

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.



Sabrina Smith  
Director of Contracting or Designee  
Network Contracting Office NCO 18

Date

