

LIMITED SOURCES JUSTIFICATION

ORDER >\$150,000

FAR PART 8.405-6

Acquisition Plan Action ID: VA244-17-AP-5946

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.

GSA SCHEDULE 65 IIA – MEDICLA EQUIPMENT SUPPLIES,
SIN A-69 Beds and Mattresses for Medical Use

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: Hill-Rom Company, Inc.

[REDACTED]

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

(1) AGENCY AND CONTRACTING ACTIVITY: Department of Veterans Affairs
Lebanon VA Medical Center
1700 South Lincoln Avenue
Lebanon, PA 17042

VISN: 4

(2) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:
Department of Veterans Affairs, VISN 04, Lebanon VA Medical Center.

The Lebanon VA Medical Center, located 1700 S. Lincoln Avenue, Lebanon, PA 17042 requires replacement hospital beds for the following in-patient units: Intensive Care Unit (ICU), 1-2A Acute Care, In-Patient unit, 1-3A Rehabilitation In-Patient Unit, 1-4A Long-Term Care In-Patient unit, 1-4B Hospice, In-Patient unit, and 1-5B Long-Term Care In-Patient Unit.

(3) REQUIREMENT

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

The objective of the acquisition is to award a Firm-Fixed Price Contract for the procurement, delivery, and set-up of in-patient hospital beds to meet the clinical needs as identified by the Lebanon VA's nursing leadership. The Lebanon VA requires:

- Both standard size beds, and beds that can expanded to fit bariatric patients
- The beds must also fully integrate with the existing Hill-Rom NaviCare and Nurse Call Manager nurse call systems.
- Must not result in seamless integration without the requirement for duplication of systems/hardware to integrate beds into current call systems.
- The mattresses must be a high quality therapeutic surface; capable of percussion, rotation, and inflating to a full firmness setting.
- Motorized mobility
- Additional required features include: integrated patient scale, built-in battery, sit-to-stand egress functionality, IV poles, and oxygen tank holders

(b) ESTIMATED DOLLAR VALUE: [REDACTED]

(c) REQUIRED DELIVERY DATE: 9/30/2017

(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.

(a) THE HILL-ROM BEDS ARE THE ONLY BEDS CAPABLE OF FULL INTEGRATION WITH THE HILL-ROM NURSE CALL SYSTEMS:

- (i) HILL-ROM NaviCare Call System and HILL-ROM Nurse Call Manager Nurse Call System has been installed throughout the Lebanon Veterans Medical Center units. These are proprietary systems specifically designed for integration with Hill-Rom beds. There are no third party manufacturers that are capable of "plug and play" integration.
- (ii) The beds seamlessly integrate with the nurse call systems to allow for communication between the beds and the nurse call central station ensuring an homogeneous call system. This integration maintains a safe environment by ensuring all important data (i.e. bed exit, nurse assistance request, code calls) is being sent from the beds to the nurse call central station.

- This allows the bed to send automatic bed exit alarms
- Trigger illuminated nurse call dome lights outside the patient's room
- Trigger an alarm to the nurse call central station
- Facilitate bedside calls by patient or staff with immediate transmission to the central station.
- Several data points can be sent from the bed to the nurse call system.

(iii) Utilizing third party beds will"

- create a heterogeneous and potentially fractured interface between the bed and the existing call systems.
- Result in increased procurement cost related to installation of "patches" to integrate into the existing call systems. (note: replacing the current call systems is not fiscally reasonable)
- Increase liability risks to the Government routinely associated with the presence of two contractor's products interfacing; related to potential failure of communication between the bed and the call station
- Potential increased maintenance cost for multiple manufacturer's preventive maintenance schedules

(b) "SIT TO STAND" EGRESS

- (i) Required for Hospice and Long Term Care, Hill-Rom beds are configured for "sit-to-stand" bed egress; the bed transitions from a supine (flat) position, into a chair position, and then to an erect, most upright position.
- (ii) This enables a patient to exit the bed from a standing position, which greatly improves patient egress, patient safety, and mitigates workplace injuries associated with patient transfers.

(c) MULTIFUNCTION THERAPEUTIC SURFACE

- (i) The Government requires that the beds have a therapeutic surface capable of :
percussion, vibration, and sleep mode.
- (ii) The percussion and vibration features help provide passive therapy for bed ridden patient that will reduced bed sores, improve healing , and enhance therapy to patients, especially those on the Hospice unit.
- (iii) The sleep mode silences blowers for the mattresses, yet ensure proper inflation of the surface
 - Improves patient resting
 - Eliminates a major patient complaint related to the noise blowers produce throughout the night.
 - Improves patient satisfaction with their bed.

(d) INTERCHANGABILITY/IMPROVED MOBILITY

- (i) Hill-Rom beds can be configured , factory installed, with powered drives and built in battery units.
 - ICU, Acute Care and Rehabilitation Care Units frequently send patients directly to to/from the surgery center without having to transfer from the bed to a transport gurney
 - Reduced potential for staff/workplace injury, such as lower back injuries
 - Less equipment, fewer patient transfers, lower cost to the facility, lower patient safety issues.

- (ii) A patient brought from a rehab care unit may have to go to CCU or and ACCU post surgery. Because the beds seamlessly integrate in the existing call system the bed can be used interchangeably without concern for connection to the central call station of the unit.

A patent, copyright or proprietary data limits competition. The proprietary data is:
(If FAR 8.405-6(a)(2)iii before posting. Do not include specific proprietary data. Only mention the type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)

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 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:

Lebanon Veterans Medical Center bed requirement has diverse requirements, clinical and long term care as identified by the Lebanon VA's nursing leadership, but is seeking to make a single FFP award. Additionally there are logistic and fiscal concerns: logistically making an award to only one vendor eases the coordination of delivery and set up schedules; fiscally, an award to Hill-Rom will allow us to "turn-in" beds that are at the end of life, or being replaced for credit thereby reducing the procurement cost by an amount that is not likely to be recovered/offset by any savings achieved through increased competition. Hill-Rom was the only vendor that can provide all the diverse needs, at pricing anticipated to be reasonable, based upon a comparison of budgetary estimates provided against the pricing listed on GSA Advantage. Finally, the beds have been purported to be state of art and/or technologically advanced for the medical bed industry.

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

- (a)** The top three manufacturers that comprise over 90% of hospital/medical bed industry, Hill-Rom, SizeWise, and Stryker, of Medical Beds were requested to submit budgetary estimates given a broad set of salient features and areas of use. The quotes and product literature were reviewed and compared against the clinical requirements identified by nursing leadership. A full review of the materials determined that Hill-Rom was the only vendor with a reasonable expectation to meet all of the Government's requirements.
- (b)** Additionally a cursory review for manufacturers, emphasis on SDVOSB/VOSB, was made with negative results for small business concerns with a reasonable expectation to meet the requirements:
 - VETBIZ: Results were negative
 - Federal Supply Schedule (FSS) –three large business concerns identified that meet reasonable expectation.
 - c. Open Market: (a) The top three manufacturers are Hill-Rom, SizeWise, and Stryker
- (c)** Based on the market research:
 - A commercial market does exist for the items being procured,

- Similar items are commonly available from both FSS and Open Market sources, but only one source is reasonably expected to fully satisfy the Government's requirement.
- There is no reasonable expectations that two or more SDVOSB manufacturers exist that are capable of fulfilling this requirement, however Hill-Rom has partnered with service disabled veteran owned small businesses that distribute Hill-Rom products, to include hospital beds.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

The Lebanon VA currently has over 100 Hill-Rom beds that can be traded-in for credit to Hill-Rom and/or one of Hill-Rom's SDVOSB partners. This action will provide:

- A material reduction in the aggregate purchase price that can not realistically be recovered as the result of increased competition.
- Reduce Labor and other disposal cost associated with the removal and disposal of beds that are being replaced
- Alleviate the administrative burden associated with the disposal of beds that are being replaced

(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:

To promote further competition on subsequent awards an industry day, for the purposes of early engagement with industry will be held.

(9) 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. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4. *(This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)*



SIGNATURE

4/20/2017

DATE

Michael Kopecki Biomedical Engineer Engineering/Biomedical Engineering

NAME TITLE SERVICE LINE/SECTION

Lebanon VA Medical Center

FACILITY

(10) APPROVALS IN ACCORDANCE WITH THE VHAPM, Volume 6, Chapter VI: OFOC SOP: *This part if filled out by Contracting Staff as part of the Justification*

(a) CONTRACTING OFFICER'S CERTIFICATION (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

Andrea Aultman-
Smith 155562

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CONTRACTING OFFICER

DATE

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

Edward A. Boddie
1406236

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06/15/2017

Edward A. Boddie, Branch Chief, NCO4 – Hybrid 1 Team

DATE

HIGHER LEVEL APPROVAL (Required For orders over \$700,000):

(a) NCO4, DIVISION CHIEF REVIEW AND APPROVAL: I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for restricting consideration of the Federal Supply Schedule contractors to fewer than the number

required by FAR Subpart 8.4
Benjamin A. Grogg
452557

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8/22/17

For

Ms. Cheryl A. Homision

Division Chief | Division 2 (Commodities, Construction, Specialized, Services 1) | NCO4

(b) NCO4, DIRECTOR OF CONTRACTING REVIEW AND APPROVAL: I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4

Benjamin A. Grogg
452557

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08/22/2017

For

Mr. Benjamin P. Iachini

Director of Contracting, NCO4