

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA69D-17-AP-6413

1. **Contracting Activity:** Department of Veterans Affairs, VISN 12, William Middleton VA Medical Center, Great Lakes Acquisition Center, 607-17-3-969-0162.
2. **Nature and/or Description of the Action Being Processed:**
This action is a Brand Name Only Justification and Approval. An unrestricted solicitation will be posted to fbo.gov for Brand Name Only CareFusion equipment and installation services which will result in a new Firm Fixed Price contract. This procurement is 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 supplies required to meet the agency's needs are a pharmacy dispensing system (carousel, packager, dispensing cabinets, and analytic software) used to assist in the timely delivery of medications from initiation order from provider to delivery to patient. This purchase and subsequent installation of dispensing system cabinets will mainly replace existing outdated cabinets and will which will be installed at the main Madison, WI VA Medical Center as well as the associated smaller locations and CBOCS.
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):

The following are essential features of the equipment, software, and system as a whole that are required to meet the minimum need of the VA:

- The ability to integrate real time data from existing and currently in-use Becton, Dickinson and Company (BD) IV Alaris smart pumps into a centralized workflow dashboard that has the ability to incorporate real time automated dispensing cabinet data as well as IV workflow data.
- Shall provide inpatient medical/surgical floors with two full cabinet dispensing stations that support a decentralized drug distribution model with a total width no greater than 80" and 28" depth and that also allows for a half-height refrigerator at each dispensing station within that space (to allow for identical/mirrored dispensing stations) due to space limitations of the existing areas.
- The ability to change and/or rearrange the size of lidded pockets within a drawer. Lidded storage is required over non-lidded for security and inventory management purposes.
- Successful completion of VA PADE interface testing.
- The ability to stock controlled substances from the packager directly into the unit dose dispensing module of an automated dispensing cabinet thereby eliminating the need for extra counting of controlled substances which can lead to inefficient workflow and increased risk for controlled substance discrepancies.
- The ability to queue medications needed from nursing medication queuing software including the ability to directly send notification to central pharmacy for medications that are not in the automated dispensing cabinet.
- The ability to transport a locked pocket.
- The ability to pour medications into a bin that subsequently unit dose packages the medication when a canister is not available.

As verified by market research including a Sources Sought Notice posted to fbo.gov and information provided by the facility technical experts, only the required CareFusion equipment can meet the minimum needs of the VA.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:

A Sources Sought notice (VA69D-17-N-1546) was posted to fbo.gov. The notice included the main types of equipment the VA requires for this dispensing system which include medication packaging system for the central pharmacy, central pharmacy and carousel, automated dispensing cabinets, printers for dispensing cabinets that can print patient specific medication at the cabinet, and analytic software and integration. Also listed in the notice were the salient features that are required to meet the minimum need of the VA (see Section 5).

Arxium responded to the Sources Sought notice but it was determined they cannot fully meet the need of the Government. CareFusion and Four Points also responded to the Sources Sought notice. CareFusion is the manufacturer of the suggested equipment and is known to be capable of meeting the minimum need of the Government and, as CareFusion had stated earlier in the Market Research process, Four Points is authorized as a distributor of their equipment/software.

It has been determined that because there are multiple providers of the only known equipment and software (CareFusion and authorized distributors) capable of meeting the need of the Government, it is in the best interest of the Government to post an Unrestricted Brand Name Only solicitation to fbo.gov to ensure that offers are solicited from as many potential sources as practicable.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:

An unrestricted Brand Name Only solicitation will be posted to FBO as there are multiple known providers of this equipment (manufacturer and authorized distributors). Competition is expected and IAW FAR 13.106-3 price reasonableness can/should be based on competitive quotations whenever possible.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:

The NAICS is 339112. The FSC is 6515. The size standard is 1,000 employees. The manufacturer of the suggested equipment is BD (CareFusion) which is a Large Business. CareFusion has stated they have two VIP verified SDVOSBs authorized as distributors (Four Points and Microtechnologies). A Sources Sought notice describing the requirement and the salient features needed to meet the need of the VA was posted to fbo.gov on 08/09/2017 and requested that responses be received by 10:00am CST on 08/16/2017. Arxium, Four Points, and CareFusion responded to the Sources Sought notice stating they could meet the need of the Government. Arxium, a Large Business, stated they could offer their own products. Four Points, a verified SDVOSB, stated they were an authorized distributor of the CareFusion products (and CareFusion confirmed they were authorized to distribute). CareFusion, a Large Business, stated they could offer their own products.

The facility technical experts have determined that the products manufactured by CareFusion can fully meet their minimum need. They have also stated via email, although Arxium says they can meet the need of the Government, that Arxium in fact cannot meet their minimum need. This is based on their technical knowledge of the industry and their extensive market research.

Based on the cumulative market research of the Contracting Officer and technical experts and end users it has been determined that only the equipment manufactured by CareFusion will fully meet the need of the Government.

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:

CareFusion, Four Points, and Arxium.

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:

This is a Brand Name Only Justification. An unrestricted Brand Name Only solicitation will be posted to fbo.gov to foster competition as there are multiple known providers of this equipment (manufacturer and authorized distributors).

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.

Tamara L.

Name

Title

Family

Adler 597126

Digitally signed by Tamara L. Adler 597126

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va.gov, cn=Tamara L. Adler 597126

Date: 2017.09.06 08:47:19 -05'00'

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.

Daniel R.
Rasmussen 457897

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Daniel Rasmussen

Date

Contracting Officer

Great Lakes Acquisition Center NCO12

- 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.

Paul M. Lauro 1463508

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Lauro 1463508
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Paul Lauro

Date

NCO/PCO 12 Director of Contracting

Great Lakes Acquisition Center NCO12

- c. **VHA SAO HCA 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 recommend approval (if over \$13.5 million) or approve (\$700K to 13.5 million) for other than full and open competition.

Linda S.
Greaves 404790

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Linda S. Greaves

9/7/2017

Date

Acting Director, SAO Central Region

VHA Head of Contracting Activity (HCA)