

DEPARTMENT OF VETERANS AFFAIRS

Justification for Single Source Awards IAW [FAR 13.106-1](#)
For
Over Micro-Purchase Threshold but Not Exceeding the SAT (\$150K)

Acquisition Plan Action ID: VA257-17-AP-11268

1. **Contracting Activity:** Department of Veterans Affairs, SAO West, NCO 17 on behalf of the West Texas VA Health Care System (WTVAHCS) requires automated pharmaceutical storage and dispensing equipment and an inventory management system. This is funded under 2237 519-18-1-030-0002.
2. **Brief Description of Supplies/ Services required and the intended use/Estimated Amount:** The equipment and inventory management support is essential for the prompt, accurate, and secure dispensing of narcotics and other controlled substances to patients. Without such equipment, many of these pharmaceuticals would be restricted to storage within the pharmacy vault, resulting in access restrictions; the use of this specialized equipment allows for prompt administration, while maintaining high levels of control to minimize abuse and diversion of drugs. The equipment currently installed at the WTVAHCS hospital is fully integrated into the VA Information Technology systems of VISTA and CPRP, is compatible with the Talyst automated medication packaging system, and provides real time inventory control and patient specific security. The software integration provides security of the narcotic pharmaceuticals and additional safety to patients. The equipment resolves the WTVAHCS' need for a Pharmacist to be available 24 hours per day for narcotic dispensing from the pharmacy vault. The estimated amount of this procurement is .
3. **Unique characteristics that limit availability to only one source, with the reason no other supplies or services can be used:** The automated pharmaceutical storage and dispensing equipment already employed at the WTVAHCS provides the minimum requirements needed for effective, save, and timely dispensing of narcotics/controlled substances. The containment equipment allows for the drugs to be readily available, including after-hours, alleviating the need for constant Pharmacist coverage of the pharmaceutical vault located within the pharmacy.
Due to the unique requirements of securing narcotics a secure and automated system is essential for patient care; this also creates a small, specialized market of equipment and software manufacturers. Carefusion Solutions, LLC., equipment provides software integration, which is fully compatible with VA VISTA and CPRS, and works to monitor and record patient level pharmaceutical dispensing. This creates an electronic check for healthcare staff, and decreases the chances of successful drug misuse and diversion. This inventory management system is unique and proprietary to the manufacturer, Carefusion Solutions, LLC. Carefusion Solutions, LLC. does not sell to, or partner with, third party contractors to provide equipment, software, or maintenance; all replacements, upgrades, or repairs must be acquired directly from the manufacturer.
The current equipment employed at the WTVAHCS is in good repair and went through an extensive upgrade in 2014. Although secured storage is available from a competing contractor, Omnicell, Inc., a replacement of the current equipment would require a transition lead-time of 90 to 180 days minimum, which could potentially result in a lapse in equipment usage and pharmaceutical dispensing. Due to the urgency of this requirement no other contractor is readily available and

capable of satisfy the government's minimum requirements. A short-term agree will allow enough time for the processing of a long-term instrument using competitive processes. A long-term agreement is currently under protest.

4. Description of market research conducted and results or statement why it was not conducted:

Due to the urgency of this requirement market research was limited. However, Market Research was conducted in accordance with FAR Part 10. FSS 65 II A – Medical Equipment and Supplies, category A-92 – Medication and Supply Packaging and Dispensing Equipment, has been identified as containing contractors capable of satisfying the government's minimum requirements. While it appears several firms offer general drug storage and inventory solutions for purchase, the government's minimum needs can only be met by equipment capable of individual dose security controls, user specific access security administration, and compatibility with current systems. Of those Carefusion Solutions, LLC., and Omnicell, Inc. appear to be able to provide such systems; both contractors are large businesses. Additionally, the system procured must be fully integrated with current VA IT systems VISTA and CPRS, and must be compatible with the Talyst automated medication packaging system. The equipment and IT requirements must be fully operational no later than 10/01/2017. Market research has revealed that the lead-time required for full system replacement would be ninety (90) to one hundred-eighty (180) days from date of task order award. At this time, the equipment already installed and employed at the WTVAHCS represents the best method of satisfying the government's requirements and its continued use can be determined to be in the best interest of the government. The equipment is provided by Carefusion Solutions, LLC. The NAC FSS contract held by Carefusion has lapsed, and a new NAC contract is currently in the negotiation stage. Therefore, the government's only recourse for continued coverage is to issue a sole source purchase order using the methods prescribed by FAR Part 13. Due to the urgency of this requirement and the Contracting Officer's knowledge of the specialized industry, the market research conducted was limited.

5. Contracting Officer's Certification: *Purchase is approved in accordance with FAR13.106-1(b). I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.*

Jessica E. Roman
Contracting Officer

Date