

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval For

Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, VISN 6, W. G. Bill Hefner VA Medical Center, Salisbury, NC.

2. **Nature and/or Description of the Action Being Processed:**

The intent of this service contract is to provide Biomedical Engineering with corrective and preventive maintenance required for Multiple GE CT Imaging systems. The request is being procured on a sole source basis directly with GE HEALTHCARE, as a firm fixed price contract. GE is currently providing full corrective and preventive maintenance services on the CT systems at the W. G. Bill Hefner VA Medical Center, Salisbury, NC, Kernersville HCC, and Charlotte HCC.

3. **Description of Supplies/Services Required to Meet the Agency's Needs:**

The contract will cover the maintenance and software updates for the CT system and the 5 NucMed 630/640 Discovery/Optima units. The procurement is for full corrective and preventive maintenance service to support the imaging equipment used in the Imaging Service at the Medical Centers. The CTs are used on a daily basis to perform critical procedures and needs to be fully operational to handle the case load. Due to radiology safety requirements, OEM specifications must be followed to ensure equipment operates in the most efficient capacity. The OEM repair parts are proprietary to GE only and are required to perform service. The service contract will cost approximately \$273,093.00 annually.

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 ability to service the CTs requires special hardware/software tools and access to the software codes that are proprietary to the OEM, GE. The Original Equipment Manufacturer (OEM) will not sale

replacement parts directly to a third-party vendor, nor, will they have access to OEM hardware parts or software updates required to service the equipment. The proprietary knowledge necessary for proper performance of hardware/software is beyond the technology of any third-party vendors. It is in the best interest for patient safety and liability of the federal government to have the Original Equipment Manufacturer (OEM) perform all maintenance on the hardware/software, which is proprietary. To deviate from OEM's recommendations of hardware repairs can damage the CT. GE has OEM trained and certified technicians and system engineers specialized to work on the delicate and complex hardware/software. They also have the manpower available to meet the high percentage of uptime required by the clinic. This CT cannot be properly maintained without access to the company's proprietary hardware/software and licensed information which cannot be acquired through any other known source.

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

No further actions are being facilitated to solicit this requirement in accordance with FAR Part 6.302-1-One Responsible Source can satisfy the agency needs in providing the maintenance required for the laser technology. The VA Medical Center currently has GE servicing the equipment to sustain the function of continuity and not impact the medical care provided directly to patients. This vendor has been servicing the equipment for approximately 2+ years without incident.

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

The total estimated cost of the corrective and preventative maintenance services is determined to be fair and reasonable. A price reasonableness memorandum will be prepared by the Contracting Officer and incorporated into the file of the contract. Past historical data for prices previously paid in the past will be reviewed and considered to determine that future prices quoted are fair and reasonable.

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

Market Research was done and results showed that other third party vendor pricing matched the sole source but new OEM parts could not be guaranteed. Market research indicated the services are open market and available from only one responsible source in relation to information supplied in paragraphs 3, 5 & 6 of this document.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:**

The requirements for the upgrades and maintenance of the CTs will assist the VA Medical Center to provide continuous quality care to patients for future clinical procedures. Using proprietary software and maintenance tools that the manufacturer offers will enhance the services provided to the surgery service.

10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:**

"See Item #6 above."

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:

There are no barriers to competition for this maintenance requirement. The Biomedical Engineering Department intends to maintain the support of the equipment for the anticipated life expectancy estimated at 10 years to maximize the usage of the system. When the equipment is beyond service and repair, the Government shall research other systems before the procurement of a new system as a replacement. Since the CT software is proprietary, removal of the barriers for competition is not applicable.

12. Requirements Certification:

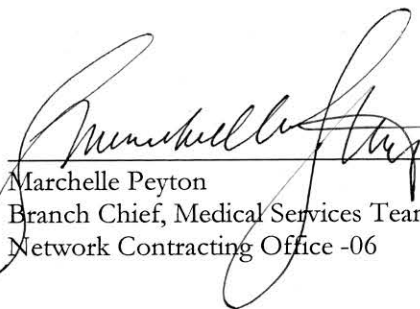
I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.



12/13/2017

Donald "Sidney" Blackwell, MBA, FAC-C Level II
Contracting Officer
Network Contracting Office (NCO) 6 – SAO East

Recommend Approval/Disapproval (Circle one)



Marchelle Peyton
Branch Chief, Medical Services Team
Network Contracting Office -06