

DEPARTMENT OF VETERANS AFFAIRS

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

Acquisition Plan Action ID: VA261-18-AP-6122

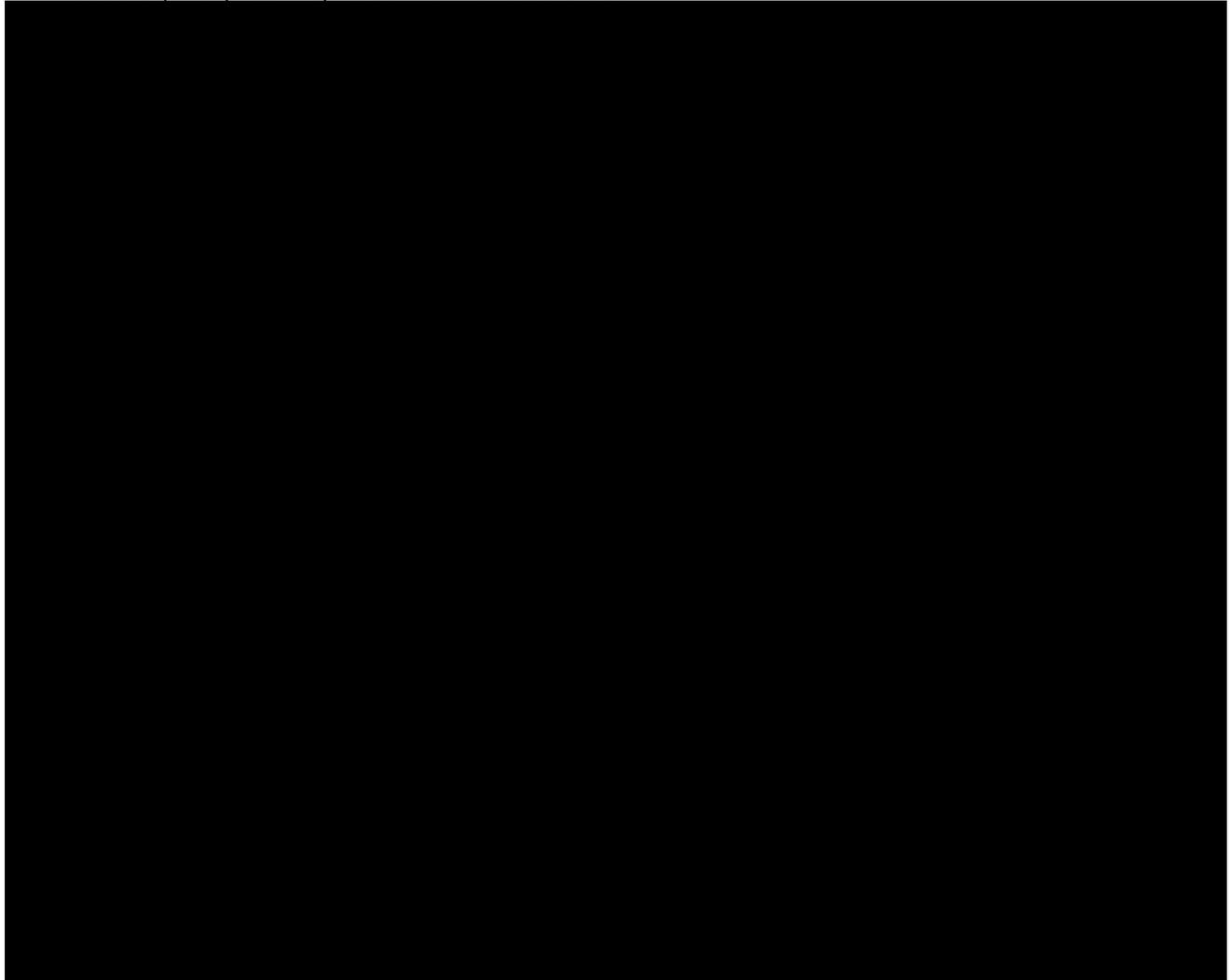
- 1. Contracting Activity:** Department of Veterans Affairs, VISN 21, VA Sierra Nevada Health Care System (VSNHCS), Reno has an urgent requirement for custom surgical procedure packs. The purchase request (2237) number is 654-18-2-133-3941.
- 2. Nature and/or Description of the Action Being Processed:** This is a new action to purchase custom surgical procedural packs for the VASNHCS, Reno. The VASNHCS is requesting an urgent order to provide a ninety (90) day supply for surgeries in the operating room (OR), interventional radiology, and cardiac catheterization lab from April 1, 2018 – June 30, 2018. Additionally, VASNHCS is requesting that Network Contracting Office (NCO) 21 include three (3), three (3) month option periods within the order from July 1, 2018 – March 31, 2019 to avoid an interruption of supply for surgeries in case the VISN purchase request is not awarded timely.

FAR13.5 Simplified Procedures for Certain Commercial Items: This procurement is for custom surgical procedural packs 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:** As stated above, the VASNHCS, Reno is requesting custom surgical procedural packs for surgeries in the OR, interventional radiology, and cardiac catheterization lab. Custom packs contain various components specific to the type of surgical procedure.

VHAPM Part 806.3 Other Than Full and Open Competition (OFOC) SOP
Attachment 2: Request for Sole Source Justification Format >\$150K

The VASNHCS, Reno is requesting an urgent order for the custom packs manufactured by Medline Industries, Inc. (Medline) listed within the table below:



Estimated dollar value for the Period of Performance (PoP): [REDACTED]

Base Period (04/01/2018 – 06/30/2018): [REDACTED]
Option Period One (1) (07/01/2018 – 09/30/2018): [REDACTED]
Option Period Two (2) (10/01/2018 – 12/31/2018): [REDACTED]
Option Period Three (3) (01/01/2019 – 03/31/2019): [REDACTED]

4. Statutory Authority Permitting Other than Full and Open Competition: 41 USC §3304(a)(1), as implemented by FAR 6.302-1.

(X) (2) Unusual and Compelling Urgency per FAR 6.302-2;

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).

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):** Custom packs were left off the MSPV-NG program and the regional contract efforts have been halted due to protests. Therefore, VISN 21 stations have been purchasing custom packs with their Government Purchase Cards (GPC). Per the direction from the VISN Chief Logistics Office (CLO), attaining custom packs with the GPC is no longer authorized. Therefore, all VISN 21 stations will be requesting emergency custom pack orders individually while the VISN prepares a combined package for competition. The emergency request will be processed to maintain and schedule patient surgeries where custom packs are required and will have a period of performance (PoP) start date of April 1, 2018.

Historically, Medline worked with the VISN 21 stations to identify specific custom procedural packs under the MSPV program. Each station has unique and specialized packs tailored to meet their needs. Therefore, the requested custom packs for this emergency order can be easily manufactured and delivered by Medline. Since the packs are custom, it would take 6-10 weeks for a new manufacturer/distributor to produce per the VISN 21 CLO. Awarding emergency custom pack orders to a new manufacturer/distributor would result in surgeries and procedures being cancelled for patients.

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** As stated above, Custom packs were previously available to VISN 21 stations through the legacy Medical Surgical Prime Vendor (MSPV) program. The prime vendor for VISN 21 stations was Medline Industries, Inc. who is considered a large business manufacturer under NAICS 339112. Unfortunately, custom packs were left off the MSPV Next Generation (MSPV-NG) program which is currently active. Additionally, regional contract efforts for custom packs have been halted due to protests.

Medline and their authorized distributor Geo-Med (SDVOSB) have been identified as being capable to meet this requirement. Efforts will be made to ensure that quotes are solicited from Medline and Geo-Med.

7. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** The anticipated cost of this action will be considered fair and reasonable. A price reasonableness determination will be conducted IAW FAR 13.106-3(a)(1) by obtaining competitive quotes from Medline and Geo-Med. Additionally, pricing for the custom packs previously provided to VISN 21 stations under the legacy MSPV program will be reviewed to confirm that the VISN is receiving fair and reasonable pricing IAW FAR 13.106-3(a)(2)(ii) & (vii).

8. **Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:** Market research was limited to an examination of the acquisition history and experience with the marketplace under previous acquisitions for the same or similar items based on the urgent and compelling need per the direction of the VISN CLO. However, the suggested source (Medline) is the manufacturer of the custom packs and has an authorized distributor (Geo-Med) who is a VIP verified SDVOSB. Efforts will be made to solicit quotes from both firms to obtain competition.

Two (2) or more SDVOSB/VOSB VIP verified firms were not identified as being capable of meeting this requirement.

9. **Any Other Facts Supporting the Use of Other than Full and Open Competition:** Suitable purchase descriptions are still being developed by VISN 21 for full and open competition.
10. **Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:** Medline and Geo-Med have both expressed general interest in all custom packs requirements for VISN 21.
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:** As stated above, the VISN CLO is preparing suitable purchase descriptions for a combined procurement to foster competition. This urgent and compelling order will be terminated once the combined acquisition is awarded.

