

**LIMITED SOURCES JUSTIFICATION
ORDERS >\$3,000
FAR PART 8.405-6**

2237 Transaction #: 678-12-3-6009-0065

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in part 3 below is an item peculiar to one manufacturer. consideration of the number of contractors required by FAR Subpart 8.4 -- Federal Supply Schedules, is limited for the reasons indicated below.

RESTRICTED TO THE FOLLOWING MANUFACTURER:

Manufacturer/Contractor: Hill-Rom, Inc.
DBA Hill-Rom

Manufacturer/Contractor POC/phone: Diane Bass
865-803-7960

Manufacturer /Contractor Address: Hill-Rom, Inc.
1069 State Rte 46 E
Batesville, IN 47006-9167

Dealer/Rep address/phone number: Stacey Coleman
303-953-8645

GSA Distributor: Four Points Technology
GS-35F-0553P
SIN: 70
Categories: 132 8, 132 33, 132 51

GSA Distributor POC/phone: Jeff Heinrich
703-657-6126

GSA Distributor /Contractor Address: Four Points Technology.
14900 Conference Center Drive
Suite 100
Chantilly, VA 20151

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

(i) AGENCY/CONTRACTING ACTIVITY: Department of Veterans Affairs (VA)
Limited Sources Justification

VISN: VISN 18 Network Contract Office(NCO)
Southern Arizona VA Health Care System (SAVAHCS)

(ii) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:

This limited sources justification comes as a result of a new SAVAHCS requirement for a firm fixed priced delivery order to upgrade the Hill-Rom Nurse Call Navicare system throughout the facility. This requirement will be a comprehensive facility-wide upgrade of the existing/remaining areas within SAVAHCS that utilize the older Hill-Rom Nurse Call Module (NCM) platform with the new Hill-Rom Navicare platform. This purchase serves to standardize the entire enterprise network and includes the de-installation of the existing NCM modalities, installation, materials, parts, software, labor, and certification of the completely installed and operational Navicare system integrated with the SAVAHCS Hill-Rom Nurse Call network. The areas that will be upgraded are as follows:

Area/Unit
Building 90
Building 91
Building 38 and 50 Clinical Decision Unit and Emergency Department New Area
Building 38 and 50 Existing Emergency Department
Building 2 Ward 2 South
Building 38 ICU
Building 38 Ward 3 East
Building 57 Step Down Unit
Building 57 Hemodialysis
Building 57 Inpatient Radiology
Building 2 Ward 3 North
Building 67 Ward 1 West
Building 67 Ward 1 North
Building 50 Second Floor Surgical Clinics
Building 80 First Floor
Building 80 Second Floor

(iii) DESCRIPTION OF THE SUPPLIES/SERVICES REQUIRED TO MEET AGENCIES NEEDS:

(a) ESTIMATED DOLLAR VALUE: \$ 2,125,753.60

(b) REQUIRED DELIVERY DATE: October 31, 2013.

☒ 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.

The purpose of this project is to have complete and comprehensive integration of the Navicare platform for cross-communications, Code Blue, and Code Green applications in one facility-wide enterprise network. Having one platform with the migration of the areas to Navicare allows end user and maintainers of the network a level of competency that is integral to patient care. It allows end users to retrieve and collect clinical information reporting from the nurse call network such as when the provider is in the room and attending to the patient. Maintainers will realize cost savings in parts and devices needed to maintain the network when every area is standardized to one system.

All of the patient televisions have been interfaced to the existing Hill-Rom Nurse Call network and are controlled through the pillow speaker that has been interfaced to the Hill-Rom Bed Interface Unit. For the television and pillow speaker accessories, SAVAHCS has already standardized these procurements and therefore has realized significant cost-savings in maintaining one brand of each.

A search for potential sources was accomplished via the GSA e-library search engine utilizing the keyword NAVICARE. This search yielded three separate vendors, ASCOM (US) Inc. GS-35F-0662T, Four Points Technology, LLC GS35F-0553P and Vector Resources, Inc GS-35F-0505U. A further search of the ASCOM (US) Inc. and Vector Resources, Inc. product catalog yielded no relation to the Hill Rom's Navicare Nurse Call System. The contractor POC for ASCOM (US) Inc., Mr. Christopher Pressley was contacted at (919) 234-2531 to obtain further clarification. Mr. Pressley confirmed that ASCOM (US) Inc. does not sell the Navicare system. He further stated that ASCOM primarily makes a middle-ware that will integrate the hospital phone system into the Hill Rom Navicare system. ASCOM's Business Development Director, Mr. Mark Williamson also validated the information above via email on 06-18-12. [REDACTED]

The second vendor, Vector Resources was also contacted for additional information. Vector Resources' primary GSA POC, Ms. Michelle Morales, was contacted on 6-19-2012 to obtain clarification of their capability under this requirement. Ms. Morales confirmed that Vector Resources could not provide the Hill Rom Navicare system. [REDACTED]

Four Points Technology, the third vendor yielded from this search listed all the primary products requested under this requirement within their GSA contract. Some of the items are considered open market equipment and services; however it is in the government's best interest to procure a turnkey system from one vendor. Four Points Technology is authorized to sell these items and services; however they will be noted as open market items and pricing will be determined fair and reasonable before award. In accordance with FAR 8.402 (f) For administrative convenience, an ordering activity contracting officer may add items not on the Federal Supply Schedule (also referred to as open market items) to a Federal Supply Schedule blanket purchase agreement (BPA) or an individual task or delivery order only if--

- (1) All applicable acquisition regulations pertaining to the purchase of the items not on the Federal Supply Schedule have been followed (e.g., publicizing (Part 5), competition requirements (Part 6), acquisition of commercial items (Part 12), contracting methods (Parts 13, 14, and 15), and small business programs (Part 19));
- (2) The ordering activity contracting officer has determined the price for the items not on the Federal Supply Schedule is fair and reasonable;
- (3) The items are clearly labeled on the order as items not on the Federal Supply Schedule; and
- (4) All clauses applicable to items not on the Federal Supply Schedule are included in the order.

The manufacture of the Navicare system, Hill Rom Inc. was contacted via email and phone for other known distributor to the government. On May 24, 2012 Ms. Stacey Coleman from Hill Rom indicated the only distributor to the government is Four Points Technology. She also commented that by utilizing the GSA distributor Four Points Technology, the government receives the most favorable pricing than going directly to Hill Rom. Hill Rom is not able to provide the government any discount and would require the VA to sign a software master agreement. By utilizing the GSA contract this agreement is not required because Four Points Technology has negotiated with GSA the terms of the software master agreement to ensure it does not conflict with any Federal Acquisition Regulations. Furthermore, the VA is saving administrative time and effort utilizing an established contract. It is imperative that we utilize a turnkey system and procure from Four Points Technology.

☒ A patent, copyright or proprietary data limits competition. The proprietary data is:
The software is propriety to Hill Rom.

☐ 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 Hill-Rom Navicare nurse call system will be able to interface/expand and integrate with existing Hill-Rom Nurse Call Module platform. The requested Navicare Nurse Call platform is designed to integrate with the SAVAHCS' current life safety Code Blue and Code Green applications throughout the facility. If SAVAHCS was to procure any other than Hill-Rom Navicare manufactured nurse call equipment, the Code Blue and Code Green facility-wide network would require the comprehensive re-cabling and re design throughout the entire facility which includes multiple buildings and floors adding inordinate and additional costs. Currently, the existing Hill-Rom nurse call system in various areas throughout the facility integrates through the older Nurse Call Module platform. The Hill-Rom Navicare platform will directly interface with the existing Nurse Call Module platform to enable cross-communication and Code Blue and Code Green applications for a comprehensive integration. All existing Hill-Rom beds utilized at SAVAHCS interface with the Hill-Rom Nurse Call Module system and will with the Navicare platform to allow for bed exit alarming and other patient care features for nursing staff. This is of great value to patient care areas which reduces the likelihood of patient falls, and other unsafe acts.

☐ 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.

(v) A DETERMINATION BY THE ORDERING ACTIVITY CONTRACTING OFFICER THAT THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH 8.404(d):

The estimated price for this task order is \$2,124,354.00. The proposed prices have been negotiated with the General Service Administration for contract GS-35F-0553P. This contract includes: equipment, software, service, installation, maintenance, and training. By placing this order against a schedule contractor, SAVAHCS has concluded that the order represents the best value and results in the lowest overall cost alternative in consideration of price, special features, and administrative costs to meet the Government's needs. In accordance with FAR 8.405 (d) the supplies offered on the schedule have already been determined fair and reasonable by GSA. Any incidental open market prices will be evaluated at the time of award, utilizing historical pricing information which has been determined fair and reasonable on similar work. Furthermore, the ordering office will seek additional discounts before placing an order. In accordance with FAR 8.402 (f) For administrative convenience, an ordering activity contracting officer may add items not on the

Federal Supply Schedule (also referred to as open market items) to a Federal Supply Schedule blanket purchase agreement (BPA) or an individual task or delivery order only if--

- (1) All applicable acquisition regulations pertaining to the purchase of the items not on the Federal Supply Schedule have been followed (*e.g.*, publicizing (Part 5), competition requirements (Part 6), acquisition of commercial items (Part 12), contracting methods (Parts 13, 14, and 15), and small business programs (Part 19));
- (2) The ordering activity contracting officer has determined the price for the items not on the Federal Supply Schedule is fair and reasonable;
- (3) The items are clearly labeled on the order as items not on the Federal Supply Schedule; and
- (4) All clauses applicable to items not on the Federal Supply Schedule are included in the order.

Any other system procured would be a significant duplication of costs to SAVAHCS because it would require retraining of clinical and biomedical staff, replacement of the entire system which connects to hospital beds, code blue and code green alarms, and the cost of replacement parts. The SAVAHCS will save time and money to standardize with the rest of the campus.

By signing this Justification, the CO is further certifying that the prices will be fair and reasonable.

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

A search of GSA eLibrary Schedule, under SIN 70, Category 132 8, Purchase of New Equipment, 132-33 Perpetual Software License, 132-50 Training Courses, 132-51 Information Technology Professional Services, 132-34 Maintenance of Software as a Service revealed only one authorized distributor, Four Points Technology. The Contracting Officer has contacted the vendor to insure they are capable and interested to provide services to SAVAHCS.

Procurements issued out of this office for similar products and services have been posted to GSA e-buy. No other sources responded to the solicitations as being capable or interested in the work.

(vii) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:

The customer and contracting officer have completed market research which identified other contractors however they are not on mandatory schedules to meet the requirements of FAR Part 8. Also there will be the same concerns for having additional costs and compatibility of interfacing with existing SAVAHCS Hill-Rom equipment. The replacement of the Hill-Rom Navicare Nurse Call system for the rest of the hospital has been identified to meet the minimum needs of the Government while serving SAVAHCS veterans and provides a logical integration plan into the facility's Hill-Rom nurse call infrastructure.

On May 24, 2012 Ms. Stacey Coleman from Hill Rom indicated the only distributor to the government is Four Points Technology. She also commented that by utilizing the GSA distributor Four Points the government does receive the most favorable pricing than going directly to Hill Rom. Hill Rom is not able to provide the government any discount and would require the VA to sign a software master agreement. By utilizing the GSA contract this agreement is not required because GSA has negotiated with Four Points Technology the terms of the software master agreement to ensure it does not conflict with any Federal Acquisition Regulations. Furthermore, the VA is saving administrative time and effort utilizing an established contract.

Currently SAVAHCS has a service agreement with Hill-Rom to support the Nurse Call Module network. Integration of any other system besides Hill-Rom will void Underwriters Laboratories (UL) listing of the system and network.

There are no other known vendors who can provide the proprietary operating system software which must integrate with the existing Hill-Rom Nurse Call Module network.

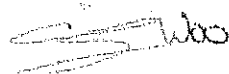
Hill-Rom Automation and their products are deployed in other VA and commercial hospitals. Their ability to directly integrate their software to the VA's hospital information systems makes them an attractive automated solution by eliminating additional hardware and software for this integration. Market research analysis conducted up to this time has not produced any other manufacturer information that exceeded what the Hill-Rom Navicare Nurse Call Network provides in means of costs and compatibility.

(viii) 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:

SAVAHCS facility has invested millions of dollars in its current Nurse Call Network. There are no plans for any future changes to the Patient and Life Safety network which if necessary would require SAVAHCS to make major changes and considerations to its facility and support including training and familiarity for current employees that use the Hill-Rom equipment. Biomedical Engineering/Electronics Section staff has been trained on both the Hill-Rom Nurse Call Module and Navicare Nurse Call platforms for the maintenance, repair of this network and would require extensive re-training of four FTEE if any other system was utilized. SAVAHCS will be continuing with Hill-Rom manufactured equipment for its life safety Code Blue and Code Green needs which will be the least costly method of procurement, all considerations (procurement/administrative costs) taken into account. For the continuity in patient care, SAVAHCS will continue with Hill-Rom manufactured equipment and products and will make efforts to introduce other contractors that have been authorized by Hill-Rom to provide goods and services. This purchase will complete the hospital wide upgrade.

(ix) REQUIREMENTS CERTIFICATION:

I certify that the requirement outlined in this justification is a bonafide 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.



SIGNATURE

June 20, 2012


DATE

CHRISTOPHER S. WOO/BME MANAGER
NAME/TITLE

SAVAHCS, FMSL
FACILITY

(10) APPROVALS IN ACCORDANCE WITH FAR 8.405-6(d):

- a. **CONTRACTING OFFICERS CERTIFICATION (REQUIRED):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.



CONTRACTING OFFICER'S SIGNATURE

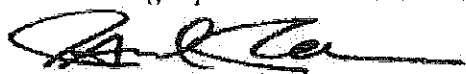
June 20, 2012

DATE

L. DANIELLE PROVENCIO, CONTRACTING OFFICER
NAME/TITLE

SAO-VISN 18 CCA
FACILITY

- b. **QA OFFICER:** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief. **This signature may be the VISN NCM if the Contracting Officer and Contracting Supervisor is the same individual.*




SIGNATURE

DATE



PAULETTE PEREIRA/OA/COMPLIANCE PROCUREMENT ANALYST
NAME/TITLE


- c. **NCM/or Designee** : I certify the justification meets requirements for restricting consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4.

 ACTING FOR:
SABRINA J. SMITH/ VERN 18 NCM
NAME/TITLE

6/28/2012
DATE

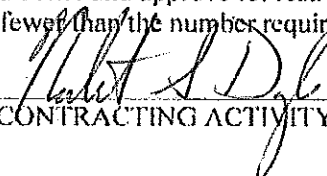
HIGHER LEVEL APPROVAL (REQUIRED FOR ORDERS OVER \$500,000)

- d. **SAO**: I certify the justification meets requirements for restricting consideration of the of the Federal Supply Schedule contractor to fewer than the number required by FAR Subpart 8.4.


DELIA ADAMS/ SAO WEST DIRECTOR
NAME/TITLE

7-5-12
DATE

- e. **VHA HCA'S REVIEW AND APPROVAL (over \$500,000 to \$10 million)**: 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


HCA/CONTRACTING ACTIVITY COMPETITION ADVOCATE
DATE

7/23/12
DATE