

LIMITED SOURCES JUSTIFICATION

ORDER >SAT

FAR PART 8.405-6

Acquisition Plan Action ID: VA256-18-AP-2921

- 1. Contracting Activity:** Department of Veterans Affairs, VISN 16, Central Arkansas Veterans Health Care System (CAVHS), Little Rock, AR VA256-18-AP-2921 598-18-2-784-0061
- 2. Description of Action:** This acquisition is conducted under the authority of the Multiple-Award Schedule Program (41 U.S.C. 251 and 40 U.S.C. 501). Firm Fixed Price Delivery Order issued under FSS V797D-30111 under Sole Source Brand Name Justification & Approval to Omnicell, Inc
Order against: FSS Contract Number: V797D-30111 3/1/13-2/28/19

Name of Proposed Contractor: Omnicell, Inc
Street Address: 1201 Charleston Road
City, State, Zip: Mountain View, CA 94043-1337
Phone: 951-653-2081

3. Description of Supplies or Services:

The estimated value of the proposed action is [REDACTED]

The CAVHS has a requirement for the expansion of the existing Automated Drug Dispensing Cabinets (ADC) system. The primary use of the system has been to maintain inventory control, as well as, drug accountability over all controlled substances in the facility. Due to a need to further restrict drug access within the medication rooms and maintain better inventory control and accountability on 12 patient wards at the facility, pharmacy service in conjunction with nursing service is expanding the role and capacity of the existing Omnicell system.

We are requesting the approval of a Firm-Fixed Price contract. The period of performance for all deliverables and installation is 120 days ARO.

(4) IDENTIFY THE AUTHORITY AND SUPPORTING RATIONALE (see 8.405-6(a)(1)(i)(A), (B), and (C) or 8.405-6(b)), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE.

An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized;

The automated drug dispensing cabinets by Omnicell are currently being successfully utilized throughout CAVHS for medication management. The drug dispensing cabinets allow for inventory control and restricted access to controlled substances. At this time, the Omnicell hardware and software is licensed and proprietary and Omnicell does not utilize authorized distributors to provide their equipment, maintenance, or upgrade services. Thus, any maintenance, including operation and diagnostic use of Omnicell hardware, performed by anyone other than authorized Omnicell trained technicians will void the product warranty on all existing equipment. All requests must go through Omnicell to ensure maintained validity of existing warranties. The new cabinets must be seamlessly integrated and interfaced with existing Omnicell equipment, which includes the main Omnicell server that controls all existing medication cabinets.

In the interest of economy and efficiency, 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.

Items peculiar to one manufacturer:

A patent, copyright or proprietary data limits competition. The proprietary data is: (If FAR 8.405-6(a)(2)iii before posting. Do not include specific proprietary data. Only mention the type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)

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.

(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.404(d) TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:

The Omnicell units are on VA Contract which offers the best pricing available. Switching to another unit/brand would require a significant uneconomical duplicate investment in computer hardware, software, and technician training. The CAVHS has substantially invested in Omnicell equipment over the timespan and it is the logical choice for the procurement of the additional units.

Although the pricing was determined fair and reasonable at the onset of Omnicell's NAC contract, additional discounts will be sought as we are acquiring a substantial amount of equipment. Analysis of historical data and acquisitions from other VAMC's will also be utilized to ensure that the Government is receiving the most fair and reasonable pricing.

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

In order to meet the VA Rule of Two, a query of the Vendor Information Pages (VIP) database was reviewed to determine the availability of any SDVOSBS/VOSBS vendors for this requirement, yet it did not yield any results. A Sources Sought Notice was published on FBO for brand name or equal equipment with no socioeconomic restriction. Upon closing of the notice, no vendors had responded as an interested party. Correspondence with the manufacturer confirmed that the company does not utilize any authorized distributors for their procurements.

(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION: None

(8) 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:

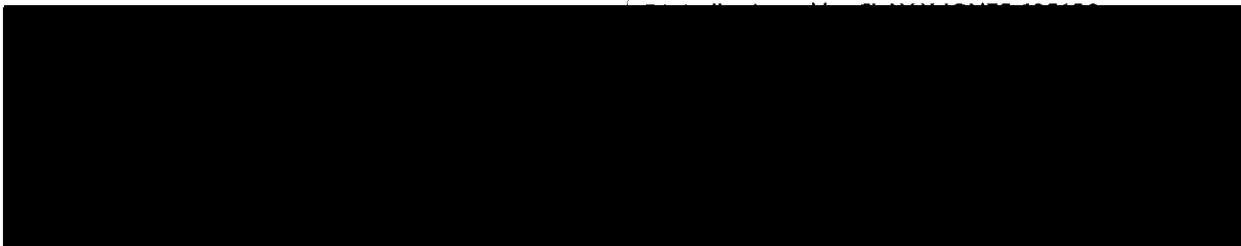
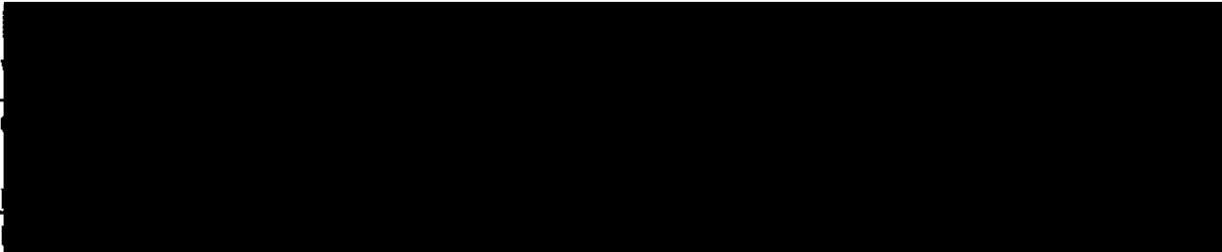
Actions to remove acquisition restrictions will be limited until the CAVHS has the capabilities/capacity to replace the entire medication dispensing system. The replacement would be a complete overhaul including equipment, as well as, supporting software.

(9) 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. 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.

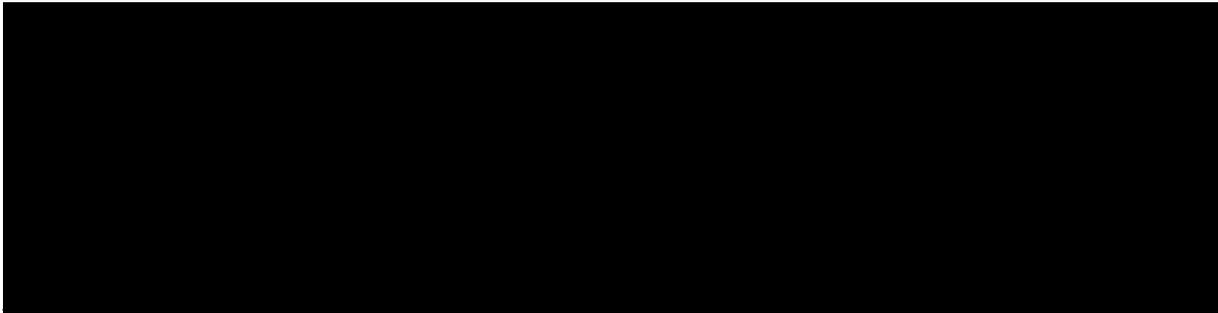


(10) APPROVALS IN ACCORDANCE WITH THE VHAPM Part 806.3 OFOC SOP:

a. CONTRACTING OFFICER'S CERTIFICATION (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.



b. One Level Above the Contracting Officer (Required over the SAT but not exceeding \$700K): I certify the justification meets requirements for other than full and open competition.



HIGHER LEVEL APPROVAL (Required for orders over \$700,000):

c. VHA SAO HCA REVIEW AND APPROVAL (over \$700,000 to \$68 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.

