

Attachment 2: Request for Sole Source Memo Format

DEPARTMENT OF VETERANS AFFAIRS
Justification and Approval
For
Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, VISN 03 VA New York Harbor- Brooklyn

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

As per the national directive (dated 6/15/12) to replace and standardize BCMA carts throughout VISN3, to one manufacturer. NYH – Brooklyn has identified a requirement to purchase 50 medication carts from Howard Medical to replace the existing Howard Medical carts..

The New York Harbor Health Care System has over 50 of these units, most of which are greater than 3 years old. Typically medication carts need to be replaced every 3-5 years, which means the majority of these units are, or close to, or have exceeded replacement age. This acquisition is for the replacement of 50. (2) This document requests other than full and open competition based upon equipment standardization. (4) This justification is for a brand name medication carts manufactured by Howard Medical. The acquisition of these medication carts is estimated to cost approximately \$277,936.98 and will need to be awarded

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

Howard Medical BCMA carts configured to integrate seamlessly with VISN3s existing systems and hardware configurations. The equipment requested is required. The total estimated value of the acquisition is \$277,936.98. There are no restrictions on how early the medical center is able to accept this equipment.

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)**

Howard Medical is the only firm capable of providing the supplies and services described in Section III above. Without which, the Veteran's Health Administration, New York Harbor Healthcare System, will experience substantial duplication of cost that could not be expected to be recovered through competition. The Veteran's Health Administration will experience unacceptable delays in fulfilling its requirements to perform medication administration for patients if another manufacturer of medication carts and workstations on wheels are purchased.

Standardization on equipment exactly as now used, or similar in use, is a matter of patient safety and cost. If multiple different manufacturers of medication carts are in use, clinical staff must be proficient in the use of all of the different units. Problems can and do occur when different systems are in use within the same medical center. Medication carts are one piece of the overall system of medication management (e.g. procurement, storage, dispensing, transportation, security, administration, and documentation). In order for the system to function, all parts of the system are designed to work together and it is imperative that purchased equipment will fit properly into the current medication management system and the workflow of clinical staff. Standardization of this equipment ultimately reduces the cost of acquisition and maintenance across the VISN by allowing blanket purchases to be made and simplifying actions needed to repair this equipment at respective facilities.

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

First, the national directive identified only four qualified BCMA cart manufacturers throughout the entire country.

With that in mind, Requests for information were posted to both fbo.gov and EBuy. This resulted in identifying three possible qualified sources (one of which was Howard Medical) and a request for quotes was released via NASA-SEWP. There were no responses to this solicitation. As a result, and given the requirements to standardize to one, familiar manufacturer that will provide the least problems in integrating with our current systems, a final decision to sole source to Howard was made.

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

The anticipated cost to the Government is fair and reasonable. Similar goods and services have been purchased from Howard previously and the quoted costs of the goods and services requested are fair and reasonable an in line with NASA-SEWP contracted rates.

Additionally, Integrated product teams had developed the national initiative for VISNs to standardize to one manufacturer. Howard Medical was one of the manufacturers chosen to be integral to the rollout of this initiative.

The IPT teams analyzed the average ages of the medication carts that are currently being used and what vendor the majority of those medication carts were purchased from, and at what cost. Using this information, the features of medication carts available from a number of vendors were compared and this information was distributed to the VISNs who were asked to choose the contractor that best serves the patient, in the most cost effective way possible/.

Analyzing this research and considering the particular needs of VA New York Harbor Healthcare System it has been determined that the medication carts and associated computers available from Howard Medical best meets these need

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

As described in Section VI above, market research was conducted locally, in accordance with FAR Part 10.

Market research was also conducted nationally by the IPT for the national directive to standardize BCMA carts to a single manufacturer which resulted in the identification of only 4 qualified sources throughout the VHA.

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

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

See Section VI 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:

No actions are planned at this time as this procurement acquisitions for the supplies or services required. This is so because we believe acquisition of the goods and services described above will eliminate the need for subsequent acquisitions of the same goods and services for an extended period of time. Any future purchases would be handled per VA policies.

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.



Name: Raymond Tavera

Title: Chief Health Informatics Officer

Facility: Department of Veterans Affairs, New York Harbor Health Care System

9-28-12
Date: September 28, 2012

13. Approvals in accordance with FAR 6.304 This part is filled out by Contracting Staff as part of the Justification

a. Contracting Officer's Certification (required): I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.



CHRISTOPHER WARD
VISN3 CONTRACTING OFFICER
SPECIAL PROJECTS COORDINATOR

Title

Facility

9/28/12
Date

b. NCM/PCM (Required \$3K and above): I certify the justification meets requirements for other than full and open competition.

Andrew Kuhl

Name

Network Contract Manager

VISN/PCA 3

01/15/2012

Date

Title

Facility

ONCM
NCA 3

- c. SAO (If over 500K): I certify the justification meets requirements for other than full and open competition.

Name

Director

Service Area Office, East

Date

- d. VHA HCA Review and Approval: I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (if over \$10million) or approve (\$500K to 10 million) for other than full and open competition.

Name

Chief Procurement and Logistics Officer
VHA Head of Contracting Activity (HCA)

Date

- e. VA Deputy Senior Procurement Executive Approval (over \$10 million but not exceeding \$50 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 other than full and open competition.

C. FORD HEARD

Deputy Senior Procurement Executive (DSPE)
Office of Acquisition and Logistics
Department of Veterans Affairs

Date

- f. VHA Senior Procurement Executive Approval (over \$50 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 other than full and open competition.

Jan R. Frye

Deputy Assistant Secretary for Acquisition and Logistics
Senior Procurement Executive (SPE)
Department of Veterans Affairs

Date

Attachment 3: VHA HCA Approval Process

VHA Head of Contracting Activity (HCA) Approval Process

Head of Contracting Activity (HCA) – Process for Authorities which require HCA approval.

- Network and Program Contracting Managers (NCM/PCM) will electronically transmit each HCA package with the request for approval through the Service Area Office (SAO).
- SAO will review the request ensuring all packages submitted contain the required documentation. Upon approval the SAO Director or Designee will enter the request in the Acquisition Resource Center (ARC) – HCA Community site located at: <http://arc.aac.va.gov/Acquisition/ARCCommunities/VHAHCA/Pages/default.aspx>
- The SAO Director or Designee will log the document on the tracking sheet and save it in the appropriate SAO folder based on the request type. The SAO or designee will then send a message to the "VHA CO HCA Requests" mail group to alert 10F that a request has been submitted for review.
- The Operations Director or designee will review and concur on the task package. After concurrence, the document will be prepared for the signature of the Chief Procurement and Logistics Officer or when required transmitted directly to the Deputy Senior Procurement Executive (DSPE) after CPLO concurrence.
- When the CPLO or DSPE approves and signs or denies the request, the document will be scanned into the ARC community and the SAO will be electronically notified.