

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval (J&A)
For
Other Than Full and Open Competition (>\$250K)

BRAND NAME ONLY JUSTIFICATION

Acquisition Plan Action ID: 36C26119AP4029

1. **Contracting Activity:** Department of Veterans Affairs, VISN 21, Southern Nevada Medical Center 593-19-3-136-0169
2. **Nature and/or Description of the Action Being Processed:** Brand Name Only Justification for the upgrade of the Philips Patient Monitoring System from version X2 to X3. This acquisition is estimated to include [REDACTED] in services and [REDACTED] in equipment for a total of [REDACTED]

FAR13.5 Simplified Procedures for Certain Commercial Items: This procurement is for the upgrade of the Philips Patient Monitoring System from version X2 to X3. 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:** The current Philips system requires an upgrade in order to accommodate the increase in patients seen at the medical center. Purchasing an upgrade instead of purchasing a new system will reduce costs and ensure the medical staff will need minimal training when implementing the new upgrade patient monitoring 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):** Philips is providing an upgrade to the existing system.

VASNHS currently utilizes Philips as the main Telemetry Monitoring System for patient care recovery and monitoring activities in the ICU/SDU, Medical Surg. Units, ED/ER, and OR/SPU areas. This upgrade is to replace the Philips X2 portable monitoring units to the Philips X3 monitoring units (this

is only including a software revision upgrade and portable monitoring unit upgrade). These units are viewed at the bedside and during transport of patients between areas of the hospital. The units keep track of heart rate, breathing rates, pulse rates and are monitored remotely to actively address any heart rhythmic trends. The remaining equipment is not being replaced. If a different vendor other than Philips were to be brought into the facility, their equipment would not be able to be utilized with the remaining Philips Monitoring System. This includes the Central Stations, ICU Monitoring Area, and TeleICU System. The price of a new system would include replacement of all Hardware and Software at each of the individual area at the VASNHS. An entire system price would be between \$7 Million to \$8 Million for our current sized facility. This would require additional training for all staff, new policies and procedures for monitoring Telemetry patients, and new training for maintenance and care of the equipment. This would also require the facility to procure new expendable leads and other items used to attach the monitoring system to the patients.

The software upgrade piece will require a major software revision for all units that touch the X3 equipment. This upgrade will allow full functionality and trending capability to keep monitoring hearth rhythms for patient care recovery activities

6. **Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:** A list of authorized distributors was obtained from the manufacturer. The requirement will be synopsized to FBO IAW FAR part 5.
7. **Determination by the CO that the Anticipated Cost to the Government will be Fair and Reasonable:** Competition along with the estimated cost directly from the manufacturer will ensure that the price is 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 conducted to the determine if the requirement was a commercial in nature, whether or not the manufacturer had authorized distributors and identified that the NAICS code was on the SBA Class Waiver List. The patient monitor systems are on SBA's Non-Manufacturer class waiver list and Philips has SDVOSB authorized distributors.

VASNHS currently utilizes Philips as the main Telemetry Monitoring System for patient care recovery and monitoring activities in the ICU/SDU, Medical Surg. Units, ED/ER, and OR/SPU areas. This upgrade is to replace the Philips X2 portable monitoring units to the Philips X3 monitoring units (this is only including a software revision upgrade and portable monitoring unit upgrade). These units are viewed at the bedside and during transport of patients between areas of the hospital. The units keep track of heart rate, breathing rates, pulse rates and are monitored remotely to actively address any heart rhythmic trends. The remaining equipment is not being replaced. If a different vendor other than Philips were to be brought into the facility, their equipment would not be able to be utilized with the remaining Philips Monitoring System. This includes the Central Stations, ICU Monitoring Area, and TeleICU System.

The software upgrade piece will require a major software revision for all units that touch the X3 equipment. This upgrade will allow full functionality and trending capability to keep monitoring hearth rhythms for patient care recovery activities.

All other Telemetry and Physiological Monitoring equipment at the VASNHS is Philips. Having all Philips equipment, allows for continual support between patient bedside and telemetry monitoring.

All the above areas have equipment that ties directly into the Philips System to monitor all heart rates, breathing rates, and heart rhythms.

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

10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: There are 3 SDVOSBs that are authorized to provide the requirement. None of the authorized distributors expressed an interest in writing but they are aware of the requirement.

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: The only way to avoid a brand name requirement is to review all vendors capability to have interoperability between manufacturers. Generally, each manufacturer has a specific integration or operational piece that is proprietary. VASNHS would need to review each manufacturers piece and obtain permission for interoperability purposes, if the system were not name brand.

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.

Brennon P.
Cucullu 1090551
Name

Digitally signed by Brennon P.
Cucullu 1090551
Date: 2019.09.24 15:17:36 -07'00'

09/24/2019

Date

13. Approvals in accordance with the [VHAPM Part 806.3 OFOC SOP:](#)

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

Donald R. Neal 531885

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Date: 2019.09.24 18:08:57 -07'00'

Don Neal, Contracting Officer
Network Contracting Office (NCO) 21, Supply Team 1

b. **One Level Above the Contracting Officer (Required over \$250K but not exceeding \$700K):** I certify the justification meets requirements for other than full and open competition.

Brooke C. Robison
1615983

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1615983
Date: 2019.09.24 22:58:27 -07'00'

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Brooke C. Robison
Director of Contracting, Network Contracting Office 21 (NCO 21)

c. **VHA RPO 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 \$68 million) or approve (\$700K to \$68 million) for other than full and open competition.

CURTIS M JORDAN
597130

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JORDAN 597130
Date: 2019.09.25 18:30:58 -06'00'

Curtis M. Jordan
Executive Director, Regional Procurement Office (RPO West)
Head of Contracting Activity (HCA)