

VHAPM Part 808.405-6 Limiting Sources
Attachment 2: Request for Limited Sources Justification Format >SAT

LIMITED SOURCES JUSTIFICATION

ORDER >SAT

FAR PART 8.405-6

Acquisition Plan Action ID: 36C260-19-AP-3576 (Modification)

- 1. Contracting Activity:** Department of Veterans Affairs, Regional Procurement Office West, Network Contracting Office 20, Spokane Office, 8524 N. Wall Street, Spokane, WA 99208 on behalf of VISN 20, Seattle Medical Center, 1660 S. Columbian Way, Seattle, WA 98108
- 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](#)).
Modification to Order against: FSS Contract Number: V797R-4434B
Name of Proposed Contractor: Hill-Rom Company, Inc.
Street Address: 1069 State Route 46 East
City, State, Zip: Batesville, IN 47006
Phone: 812-934-8609
- 3. Description of Supplies or Services:** This is a Justification and Approval (J&A) to support and out of scope increase to the overall value of the Specialty Hospital Bed Rental & Surfaces Order/contract V797P-4434B 36C26019F0043 from the original estimated value of \$450,000.00 to now be \$1,350,000.00; an increase of \$900,000.00.

The following beds and surfaces are required for delivering effective patient care:

Compella Bariatric Bed w/clrt @ \$187.92/day
Compella w/air @ \$173.52/day
Compella w/foam @ \$118.80/day
Compella w/trpz, clrt @ \$199.92
Compella w/trpz, air @ \$185.52/day
Compella w/trpz, foam @ \$130.80/day
Clinitron Rite Hite Air Fluidized Therapy Bed @ \$72.36/day
R-H PH Bracket Unit @ \$10.00/day
Envella Air Fluidized Therapy Bed @ \$111.12/day
Envella Bed w/trapeze @ \$123.12/day
P500 Therapy Surface @ \$32.16/day
Synergy Air Elite Mattress 36" @ \$28.14/day
Synergy Air Elite Mattress 39" @ \$30.15/day

Current:	Base Year	Option year 1	Option year 2	Estimated Value
POP	11/4/18 - 11/3/19	11/4/19 - 11/3/20	11/4/20 - 11/3/21	
Value	\$150,000.00	\$150,000.00	\$150,000.00	\$450,000.00
Change:	Base Year	Option Year 1	Option year 2	Estimated Value
POP	11/4/18 - 11/3/19	11/4/19 - 11/3/20	11/4/20 - 11/3/21	
Value	\$450,000.00	\$450,000.00	\$450,000.00	\$1,350,000.00

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These items are only available through Hill-Rom because of the air fluidized technology. The period of performance for the bed/surface rentals is a base one-year period and two additional option years. This modification would increase the base year from \$150,000.00 to \$450,000.00.

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. (Check all that apply and complete):**

☒ 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. These beds and surfaces are required for direct patient care. The manufacturers of beds claiming to be clinically equivalent to air fluidized are not clinically equivalent in all patient populations, particularly those at highest risk. The physicians at Seattle VAMC have not found alternative products to be sufficiently protective for patients with SCI, paralysis, loss of sensation or undergoing flap surgery.

Previous requirements were approximately \$2M per year. However, over the last few years, the contract value was decreased to \$450,000.00 per year. The rental rate for the previous two years was approximately \$450,000.00 per year. However, the request for this action was incorrectly submitted as \$150,000.00 per year (total base and options at \$450K). This error caused the sole source contract to be awarded with the incorrect values for the base and option. Because of this error, this contract does not have the necessary limits to meet the requester's needs. The original intent of the contract was for full period of the base and options and bill be paid per use. Currently the air-fluidized technology beds consist of approximately 87% of the use; the balance is specialty mattresses the facility needs for patient care when all their in-house assets are in use.

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.** Supplies offered on the schedule are listed at fixed prices. GSA has already determined the prices of supplies to be fair and reasonable for the purpose of establishing the schedule contract. Pricing has been reviewed, and the pricing has held since inception of the award. Therefore, the pricing is considered fair and reasonable and in the best interest of the government to approve this out of scope justification.
6. **Describe the market research conducted among schedule holders and the results or a statement of the reason market research was not conducted.** Previously, VIP was searched under NAICS 339113, and had a possibility of 365 potential offerors. However, Hill-Rom does not partner with any socio-economic entities for their bed rental contracts. A review of the National Strategic Source Listing has no mandatory sources when searched for bed, bed rental, and surface. A search of the OAO VA Enterprise Contracts also shows nothing for bed, bed rental and surface. The WSNC currently has three BPA holders: Joerns, Universal Hospital Services, and Kreg Therapeutic. None of the three have a comparable product to the requirement for the station (see information in #7 below).
7. **Any other facts supporting the justification:** The most recent requirement was solicited in April 2018, 36C26018Q0279, on FSS and received 5 offers: Hill-Rom, Joerns, Kreg Therapeutics, Sizewise Rentals, and Universal Hospital Services. Originally, the award went to Joerns; however, after receipt of product, was discovered was NOT technically acceptable or equivalent to the stipulated requirements. Therefore, the Joerns award was terminated and an award was made to Hill Rom. Only Hill Rom meets the requirements necessary for patient care, specifically the air-fluidized requirement.
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:** Prior to any subsequent requirements, the station will determine their need and if any other products have come on the market that can fulfill that need. The marketplace will also be surveyed to determine if barriers still exist (i.e. no SD/VOSB suppliers).

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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.

Erica Savage
Administrative Officer, PSC/NEO
Seattle VAMC

10. **Approvals in accordance with [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.

Karen Rhodes
Contracting Officer
Supply Branch 2
Network Contracting Office 20
J&A Log: 2019-07-03T09:05:53

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.

Michael Allred
Branch Chief
Supply Branch 2
Network Contracting Office 20

c. **Director of Contracting/Designee (Required Above \$700K):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief and recommend approval.

S. Dale Allen
Director of Contracting
Network Contracting Office 20

d. **VHA RPO HCA Review and Approval (Required Above \$700K – Approval to \$68M):** 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 (Above \$68M) for other than full and open competition.

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