

JUSTIFICATION AND APPROVAL
FOR LIMITED SOURCE AWARD
UNDER FEDERAL SUPPLY SCHEDULE

1. Contracting Activity: Department of Veterans Affairs
Strategic Acquisition Center
10300 Spotsylvania Avenue
Suite 400
Fredericksburg, VA 22408

2. Description of Action: The proposed action is a sole source firm fixed price FSS order of a Space Labs Healthcare Monitoring System for a Post Anesthesia Care Unit. The estimated value of this system is \$188,542.76.

3. Description of the Supplies or Services: The requested Space Labs Healthcare Monitoring System is being procured for the Ralph H. Johnson VAMC located at Charleston S.C VAMC. Space Labs Healthcare Monitoring System is considered both highly specialized and a major system for Patient Care Areas.

Space Labs Healthcare Monitoring Systems offers unique qualifications with regard to patient monitors providing fast access to comprehensive patient information allowing for early interventions while supporting clinical decisions, which improves advances and enhances patient care and safety.

The configuration of the system assures immediate access to comprehensive patient data and the ability to customize monitoring to a specific patient. Sophisticated clinical tools are integrated into the monitoring system to optimize care and efficiency and connectivity solutions assure reliable performance and instant access to patient information across the network and the capability to remotely view, control, and record patient data for any other networked or telemetry bed without leaving a patient's side.

4. Authority: The statutory authority permitting this action is Federal Acquisition Regulation (FAR) Part 8.405-6(a)(1)(i)(B), 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.

5. Rationale for Authority Cited: If systems other than Space Labs systems were purchased they would not be compatible with existing systems in place. Using equipment provided by a company other than Space labs would require changes to equipment throughout the Patient Care Areas which would be costly due to the need to replace 130 current Space Labs systems, as well as procure new maintenance agreements, warranties, and training. The time and cost to replace all Space Labs

Systems equipment and properly train personnel would exceed the cost to purchase Space Labs systems for this procurement and compromise patient care and safety.

To ensure compatibility with the existing equipment, parts and components, this procurement will be solicited as a Space Lab Healthcare product through VA NAC Federal Supply Schedule 65IIA, which will provide the best value to the Government.

6. Efforts to Obtain Competition: VA conducted market research, details of which are in paragraph 8, market research section of this document. None of these efforts yielded additional sources capable of meeting the Governments requirements.

7. Actions to Increase Competition: In order to seek competition in future acquisitions the agency will continue to survey the market for systems that can technically meet requirements and are cost effective. remove or overcome barriers to competition in future acquisitions for this requirement, the agency will work with the program office to perform additional market research so that other solutions can be considered.

8. Market Research:

Beginning on March 22, 2013, market research was conducted, to include consultation with Subject Matter Expert William Wood, BIOMED. The market research findings revealed there were a limited number of vendors that offer patient monitoring systems; however, they were not technically compatible with the current infrastructure. All network requirements, wiring and mounts of the present system are compatible with the Space Labs Healthcare Monitoring Systems allowing replacement without the time and expense of substantial site preparation and renovation.

The Healthcare Monitoring replacement system must be compatible with the existing Space Labs Healthcare Full Disclosure system, which is being used to interface with Computerized Patient Record System, and with other Space Labs systems with which it has the potential to be networked. The Full Disclosure Integration automates the flow of patient vital signs into the Essentris Electronic Medical Flow sheet therefore reducing the time for nurses to enter these values. It allows the caregiver to view stored and live waveforms from the PC and within Essentris. These waveforms can be measured, stored and sent to Cliniccomp for a digital storage of patient ECG strips.

The Ralph H. Johnson VAMC located in Charleston, S.C. currently has approximately 130 pieces of Space Labs equipment including monitors in Radiology, Dialysis, ICU, ED, PACU and Telemetry. Standardization on patient monitors allows patient's information to flow seamlessly throughout the hospital during their stay. Continuous patient data allows care givers the ability to quickly review a patient condition and provide treatment while working in different departments. The current Space Labs infrastructure in the hospital is compatible with new Space Labs equipment. Having one monitor network throughout the facility is much less expensive than having multiple. Choosing to have different monitor vendors in a facility will not allow for information to

be shared seamlessly with each department. In addition to these points, all this data can be interfaced to the hospital's Electronic Medical Record (EMR) through a single interface due to standardization of monitoring equipment.

Market research also revealed that no other comparable product exists capable of providing the technical functions required to meet the patients and hospital needs without compromising patient care, and safety. There are 43 contractors on GSA schedule 65 IIA, category A-50A, but Space Labs is the only authorized distributor of the required products.

9. Other Facts: The VA Contracting Officer that awarded the FSS contract has already determined that the prices are fair and reasonable. The Ordering Contracting Officer will seek additional price discounts and conduct a price analysis using historical pricing data.

10. Determination of Best Value: I hereby determine that the proposed contract action will represent the best value to the Government. Contracting Officer has already determined that the prices on the FSS contract are fair and reasonable. The prices offered by Space Labs for these Patient Monitoring Systems are consistent with their FSS schedule prices. Further price analysis will be conducted and subsequent negotiations held as necessary. Additionally, price discounts will be sought.

11. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Kearston Silver

Date: 5/15/13

Project Manager

Signature: Kearston A Silver

12. Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.

Antoinette Clay

Date: May 15, 2013

Contracting Officer

Signature: Antoinette Clay