

**DEPARTMENT OF VETERANS AFFAIRS**

**Justification and Approval**

**For**

**Other Than Full and Open Competition**

**1. Contracting Activity:**

The Department of Veterans Affairs, VISN 21, NCO 21 intends to enter into a sole source contract to purchase a Multi-Medication Adherence Packaging System from MTS Medication Technologies. The Purchase Request Number is 612-13-2-443-0011.

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

This is a new action to purchase an OnDemand 400 for RxMap, a Multi-Medication Adherence Packaging System. This will be a firm-fixed price, supply contract for open market items.

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

The equipment packages individual patient medications on a card with dosages "bubble wrapped" (in blister packages) for multiple daily doses of multiple drugs. The main item being purchased is the packaging machine. Additional items include cassettes, cards, a sealer, printers, a workstation, and other items necessary to package the medications. The item meets VA's requirement of providing medications in packaging that will increase patients' adherence to their prescribed medication schedules.

The system will be delivered 14-16 weeks after the award date.

**4. Statutory Authority Permitting Other than Full and Open Competition:**

41 USC §253(c)(1), as implemented by FAR 6.302-1. Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements

**5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**

MTS Medication Technologies is the only company that provides and maintains the required medication packaging equipment that packages medications in blister packages. This is a fully-interfaced, integrated dispensing system for multiple medication adherence packaging, utilizing a 7 x 4 matrix style blister card designed to hold a one-week supply of up to 15 different oral solid medications per blister. MTS also provides all blister cards for appropriate patient care. There is no other such equipment in the United States that provides such a service. Other blister packs only hold one or two tablets per blister or use pouches, neither system would be appropriate for the successful implementation of the PILLS Project.

VA's minimum needs can only be satisfied by the unique supply manufactured by MTS Medication Technologies.

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

On March 22, 2013, a "Special Notice" was published on FedBizOpps informing potential vendors that the Department of Veterans Affairs, VISN 21 intends to sole source with MTS Medication Technologies for an "OnDemand 400 for RxMap." Contractors were encouraged to respond by April 1, 2013 if they could provide a product that met key systems and processes desired by the requesting office. No responses were received. (Solicitation Number: VA261-13-I-0993) The notice referenced 41 U.S.C. 253(c) (1) as implemented by FAR 6.302-1 as the authority.

A query of Governmentwide databases was conducted at ([www.contractdirectory.gov](http://www.contractdirectory.gov)) and ([www.gsaadvantage.gov](http://www.gsaadvantage.gov)). Potential vendors and products were not identified.

A search on ThomasNet ([www.thomasregional.com](http://www.thomasregional.com)) to find manufacturers, distributors for a Multi-Medication Adherence Packaging System provided no results.

Knowledgeable individuals from the Government and the industry were contacted regarding market capabilities to meet the requirement on April 5, 2013 via telephone:

a. [REDACTED] Pharmacist.

b. [REDACTED] MTS Medication Technologies.

Through contact with the knowledgeable individuals listed above, a competitive system was identified. The system is called Parata PASS (Patient Adherence Strip System). The main difference between the "Parata PASS" and the "OnDemand 400 for RxMap" is that the medications are dispensed into a pack or pouch versus a matrix style blister card. The matrix style blister card is identified as a key feature or process essential to the PILLS Project Grant.

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

By signing this document the Contracting Officer is determining that the anticipated cost to the Government will be fair and reasonable. The estimated cost of this action is below the threshold for requiring cost and pricing data. The basis for determining fair and reasonable pricing will be a review of the cost of similar packaging technology that may be on the Federal Supply Schedules, a review of eCMS to determine if other contracting offices have purchased the equipment and at what price, and a requirement in the solicitation that the contractor disclose their pricing to other customers that are similar to VA and include a list of references (Federal Government if available) who have purchased the equipment and are currently using it.

**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 6 above, market research, in accordance with FAR Part 10, was conducted by synopsis of the proposed acquisition, advising industry of the pending acquisition and soliciting inquiries from interested parties.

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

Specifications, engineering descriptions, statements of work, statements of objectives, or purchase descriptions suitable for full and open competition are not being used because VA has determined that only one supplier makes the type of compliance packaging that VA requires.

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

No sources expressed interest as stated above in Section 6.

**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 follow-on competitive acquisition is planned. However, VA will continue to monitor the commercial marketplace to determine if other manufacturers have started to manufacture equipment that packages medications in the same manner as MTS Medication Technologies.

**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.

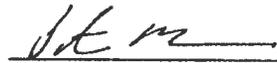


Pharmacist  
VA Northern California Health Care System

April 15, 2013  
Date

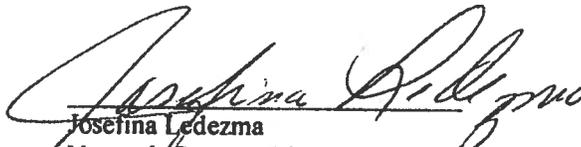
**13. Approvals in accordance with FAR 6.304**

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

  
Patricia Benson  
Contracting Officer  
NCO 21

April 15, 2013  
Date

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

  
Josefina Ledezma  
Network Contract Manager  
VISN 21

4-15-13  
Date