JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

The following is pursuant to the authority of 41 U.S.C. 4106(c)(2) as implemented in Federal Acquisition Regulation (FAR) 16.507-6(b)(2) – Only One Capable Awardee

1) Identification of the agency and the contracting activity.

This Justification for an Exception to the Fair Opportunity process is being conducted on behalf of the Richmond, VA Veterans Affairs Medical Center (VAMC). The Delivery Order will be executed by the Department of Veterans Affairs National Acquisition Center (NAC), High Tech Medical Equipment (HTME) Post Award, PACS & Laundry Division.

2) Nature and/or description of the action being approved.

Authorization to use an Exception to the Fair Opportunity process as Change Healthcare Technologies, LLC is the only one capable awardee of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized. A Delivery Order will be issued under the terms and conditions of the Defense Logistics Agency (DLA) awarded contract SPE2D1-18-D-0006 to Change Healthcare Technologies, LLC.

3) A description of the supplies or services required to meet the agency's needs, including the estimated value.

The Delivery Order is to replace 36 workstations and displays that will replace end of life equipment.

The purchase includes the following:

HARDWARE

- Universal Advanced Workstation suitable for Diagnostic Use 128GB - Defective Media Retention – HP (36)
- NA Rad Support Tools Workstation (36)
- Barco CORONIS FUSION Dual 6 MegaPixel Color 30" diagnostic displays' set – incl 5y Hot Swap – Does not include display controller (36)
- BARCO Single 2 MegaPixel Color 24" display – incl 3y Hot Swap – Does not include display controller (36)
- Barco High-End display controller for diagnostic displays – incl 5y Hot Swap (36)
- Barco Display controller for auxiliary displays – incl 5y Hot Swap (36)
- 104-key USB Keyboard with Integrated CAC Reader HP (36)
- 700W/1000VA Tower UPS – APC (36)

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SERVICES

- Change Healthcare Technology, LLC Radiology Solutions remote regulatory compliance validation services – Services to be scheduled during business hours (36)

The total value is $969,883.92.

4) An identification of the exception to fair opportunity (See, FAR 16.507-6) and the supporting rationale, including a demonstration that the proposed contractor's unique qualification or the nature of the acquisition requires use of the exception cited. If the contracting officer uses the logical follow-on exception, the rationale shall describe why the relationship between the initial order and the follow-on is logical (e.g., in terms of scope, period of performance, or value).

FAR 16.507-6(b)(2) – Only one capable awardee can provide the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized.

Change Healthcare Technologies, LLC is the Original Equipment Manufacturer (OEM) of the enterprise Radiology PACS within VISN 6. The workstations require compatibility maintenance with the existing PACS to ensure operational effectiveness. The workstations require proprietary calibration, preventative maintenance, and ongoing technical support services to maintain proper functionality and compliance.

Due to the proprietary nature of Change Healthcare Technologies, LLC's enterprise Radiology PACS architecture, only they possess the technology and capabilities necessary to configure, provide the supplies and services for the installation and integration of the workstations. As Change Healthcare Technologies, LLC is the publisher who owns all rights to the software for its equipment and services, they cannot guarantee compatibility with their systems for any substituted hardware, maintenance and support. Currently, Change Healthcare Technologies, LLC is the only Contractor authorized to remotely access the enterprise Radiology PACS to provide the services and support. The required equipment and services ensure compliance with regulatory standards, and seamless system interoperability. Additionally, the enterprise PACS, for which these items are being procured, are supplied by Change Healthcare Technologies, LLC, and any installation performed by third parties would void the existing warranty.

Change Healthcare Technologies, LLC is solely capable of performing the software maintenance and support, enabling the system to continue meeting the software build specifications, per Change Healthcare Technologies, LLC's PACS U.S. Food and Drug Administration (FDA) clearance.

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5) A determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.

The Defense Logistics Agency (DLA) has negotiated fair and reasonable prices and determined the prices awarded under contract SPE2D1-18-D-0006 to be fair and reasonable; thus, a separate determination of fair and reasonable pricing is not required. The Contracting Officer has conducted a price evaluation to ensure that the quoted prices are equal to or less than the contract price. By placing an order against SPE2D1-18-D-0006 it is to be concluded that the Delivery Order represents best value in meeting the Government's needs.

6) Any other facts supporting the justification.

The Veterans Health Administration (VHA) directive 1104 provides policy for establishing and maintaining VISN PACS to support storage for the display and interpretation of radiologic images.

PACS are computer-based medical systems dedicated to the storage, retrieval, distribution, and presentation of images. The medical images are stored in an independent format. The most common format for image storage is DICOM. Analytic and functional software for respective imaging modalities may be available from PACS vendors at an additional cost.

PACS have been acquired and implemented in various configurations within VHA. It is beneficial to establish VISN wide PACS with a common interface standard to facilitate the care of patients referred amongst facilities within a VISN, efficiently utilize radiologists by means of cross-facility interpretation agreements, reduce the costs of equipment and maintenance contracts, ensure interface compatibility with VISTA, share technical equipment expertise within a VISN, and ensure continuity of service in the event of a disaster. PACS achieve VISN wide interoperability for diagnostic imaging interpretation.

It is VHA policy that every facility within each VISN utilize the same PACS. All patient information in PACS is archived in VISTA Imaging at the respective VA medical facility. PACS and voice recognition systems must be integrated to facilitate efficient workflow and mitigate wrong patient selections with two independent systems.

7) A statement of the actions, if any, the agency may take to remove or overcome any barriers that led to the exception to fair opportunity before any subsequent acquisition for the supplies or services is made.

Every requirement is unique and costs/benefit assessment for competition will be made on a case-by-case basis.

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8) The Contracting Officer's certification that the justification is accurate and complete to the best of the Contracting Officer's knowledge and belief.

By signing this justification, the Contracting Officer hereby certifies that the justification is accurate and complete to the best of their knowledge. The technical information contained in the quote was reviewed and certified by the facility Biomedical Engineer, Joshua Brady.

9) Evidence that any supporting data that is the responsibility of the technical or Requirement's personnel (e.g., verifying the Government's minimum needs or requirements or other rationale for an exception to fair opportunity) and which form a basis for the justification have been certified as complete and accurate by the technical or requirements personnel.

By signing this justification, the Contracting Officer hereby certifies that the justification is accurate and complete to the best of their knowledge.

10) A written determination by the approving official that one of the circumstances in FAR 16.507-6(b)(2) applies to the order.

Based on the information contained herein, a determination has been made that this requirement meets the exception at FAR 16.507-6(b)(2) – Only one capable awardee can provide the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized.

CERTIFICATION AND APPROVALS:

TECHNICAL/REQUIREMENTS CERTIFICATION

Pursuant to FAR 16.507-6(d)(2)(ix), I certify that the justification is complete and accurate to the best of my knowledge and belief.

[redacted]

Richmond VAMC

JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

CERTIFICATION AND APPROVALS CONTINUED

CONTRACTING OFFICER CERTIFICATION

Pursuant to FAR 16.507-6(d)(2)(viii), I certify that the justification is complete and accurate to the best of my knowledge and belief.

[redacted]

HTME Post Award, PACS & Laundry Division

[redacted]

HTME Post Award, PACS & Laundry Division

COMPETITION ADVOCATE APPROVAL

The following is pursuant to the authority of 41 U.SC. 4106(c)(2) as implemented in Federal Acquisition Regulation (FAR) 16.507-6(b)(2) – Only One Capable Awardee.

[redacted]

Strategic Acquisition Center and National Acquisition Center