

**DEPARTMENT OF VETERANS AFFAIRS**

**SOLE SOURCE JUSTIFICATION UNDER SIMPLIFIED PROCEDURES FOR CERTAIN COMMERCIAL  
ITEMS IN ACCORDANCE WITH FAR 13.5**

**Acquisition Plan Action ID: 36C249-22-AP-1441 Autotransfusionist Services - 603**

1. **Contracting Activity:** Department of Veterans Affairs, VISN 09, Louisville (Robley Rex) Veterans Affairs Medical Center, Surgical Services, located at 800 Zorn Avenue, Louisville, KY 40206-1433, Network Contracting Office (NCO) 9. Purchase Requisition [REDACTED]

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

This procurement is for the services of an Autotransfusionist during surgical procedures 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.

This action is to sole source a new requirement under a firm-fixed price contract for a per procedure use of the services provided by an autotransfusionist. The use of a transfusion machine allows for the salvaging of a Veterans blood when they undergo major surgical procedures. Currently the American Red Cross has declared a national blood shortage and this has created the urgency to utilize every possible means necessary to salvage blood during the performance of all surgical procedures.

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

Autotransfusion services needed in Surgical Services at the Robley Rex VAMC in Louisville Kentucky. During complex surgical procedures, cell saver machines are utilized for Autologous blood recovery so the Veterans can take advantage of their own blood usage during these surgeries. The machines must be operated by a trained autotransfusionists during scheduled and added-on elective procedures. Additionally, these services must also be on call to cover urgent and emergent surgical cases on a 24/7 basis. Contractor has quoted a total contract cost of [REDACTED] for a five year contract. In comparison the Governments IGCE is [REDACTED] which is a difference of [REDACTED] from that of the contractor.

4. **Statutory Authority Permitting Restricted Competition:**

FAR 13.5 Simplified Procedures for Certain Commercial Items. The statutory authority for applying the Simplified Procedures for Commercial Items of FAR 13.5 is 41 U.S.C. § 1901 and is implemented by FAR 13.106-1(b)(2) for restricting competition on this procurement. **Competition is restricted on this procurement for the reason below:**

- (X) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements
- ( ) Unusual and Compelling Urgency
- ( ) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services
- ( ) International Agreement
- ( ) Authorized or Required by Statute

- ( ) National Security
- ( ) Public Interest

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

The following techniques demonstrates the uniqueness of this requirement based on, an SBA Dynamic Search, a VIP Search, and a FPDS Search being utilized to determine the capabilities of all small business concerns to provide autotransfusionist services. A DSBS search under NAICS 561320 "Temporary Help Services" for All SB types resulted in a total of 3,939 SB Concerns. SDVOSB/VOSB was then selected to determine the capabilities for this type of set-aside and resulted in a total of 1,320 consisting of (822-SDVOSB, 498-VOAB). To determine if there were any SB/SDVOSB/VOSB concerns capable of providing transfusion services the keyword "transfusion" was then added which resulted in a total of zero(0) SB/SDVOSB/VOSB Concerns.

To further investigate whether this requirement can meet the VA's Rule of Two, a VIP search under NAICS 561320 was utilized which resulted in 912 potential sources consisting of (799-SDVOSB, 113-VOSB). A determination whether these sources can actually perform transfusion services, the keyword "autotransfusion" was added. This resulted in a total of zero(0) potential sources performing transfusion services. FPDS was queried solely for the purpose of establishing the determination of fair and reasonable pricing; however, it was discovered that these procurements were primarily for the purchase of equipment.

As a result, [www.Medicare.gov](http://www.Medicare.gov) was used to determine the associated expense in the performance of blood transfusion which resulted in a range of \$900.00 to \$3,500.00 per unit of blood. The historical data shows the previous procurement in FY12 as a Sole Source award to a SDVOSB under the authority of FAR 6.302. This procurement claimed the lack of competition was due to the limited market for vendors who provided these services in 2012. Previous contract number [REDACTED] consisting of a base year and four one year options with a total dollar value was [REDACTED]. In 2013, the awardee requested this contract be curtailed as a result of losing their employees to a Large Business. Ultimately this resulted in a mutual agreement with both parties thus changing the ultimate completion date from September 30, 2017 to June 7, 2013.

The Louisville VAMC Surgical Services then procured these services with a [REDACTED] [REDACTED] from the Louisville Perfusion Group which ultimately ended by termination of services due to staff shortages and the low volume of usage at the facility. Today we are met with an urgent need to provide medical services to Veterans which include invasive surgical procedures. These procedures often require the need for additional blood; however, the ability to find a company that is willing to support such an intermittent on call service within the proximity of this facility has resulted in zero sources found. Specialty Care, Inc. has the necessary staff and equipment to cover these services on an intermittent basis. The cost associated with hiring even a part time autotransfusionist would be less cost efficient when compared to this contract verses salary, benefits, equipment and supplies on a part time basis. With the national blood shortage, the use of blood transfusion has become the primary means of recycling lost blood. Failure to meet these needs will have significant effects on the current Veteran population.

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

Intent to Sole Sources Synopsis: was issued on January 28, 2022 under action ID# 36C24922Q0149. This notice provided information based on this requirement and the Governments intent to award a Firm-Fixed Price sole source award to Specialty Care, Inc. located at 3 Maryland Farms Ste 200, Brentwood, TN 37027 to provide the services of an Autotransfusionist. This was notice posted for 14 days and resulted in no responses from any other interested parties on the Governments intent.

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

There are three aspects to consider on this requirement when making a determination of fair and reasonableness. The first aspect is the cost associated with a full time FTE autotransfusionist, next the total volume of cases per year at this facility, and finally the cost of ownership of this type of equipment.

On the first aspect a full time FTE whom according to [www.usajobs.gov](http://www.usajobs.gov) is estimated a yearly salary of \$89,210.00 - \$115,979.00. At the lower end of this salary scale a full time employee yearly cost is 3.5% lower than the established base IGCE which includes equipment cost. The proposed company can provide these services at a 31.6% cost saving on a yearly basis.

The second aspect involves the volume of cases being performed yearly. According to the American Red Cross, the average amount of blood transfusions performed yearly is approximately 16 million a year which equates to roughly 29,000 unites per day. The average transfusion equates to 3 units per person. Therefore, the Louisville VAMC being a Level 1b facility is proposing a need of 180 units per year at 3 units per 60 procedures. The average Level 1b facility within the United States estimates a total need of 999 units per year which would total 333 procedures.

The final aspect is related to the cost associated with ownership of this type of equipment. This facility has sought quotes on the cost of the equipment required to perform these services and they were at cost of [REDACTED] each. If the Government pursue this approach they will be required to have two, one in operation and a float to prevent any down time associated with the one in operation. Total cost would be [REDACTED] and this cost does not include periodic maintenance. The use of renting this equipment for the course of five years is approximately [REDACTED] and all required maintenance will be the responsibility of the contractor.

In conclusion, the above information provides evidence that justifies utilizing a contract for this requirement will be advantageous to the Government. Contractor has quoted a total contract cost of [REDACTED] for a five year contract. In comparison the Governments IGCE is [REDACTED] which is a difference of [REDACTED] from that of the contractor. It has been determined that the difference in cost is a direct correlation to the fact that the Government only accounted for equipment cost on the base year of purchasing and nothing on the remaining four years of this requirement. This hereby deems the anticipated cost of a contract with SpecialityCare, Inc. as fair and reasonable when taking equipment cost into consideration.

**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 and results are displayed under item 5 for determination of Unique Qualifications. Market research ultimately changed the approach of competing this requirement to sole sourcing to a responsible contractor who has the capabilities of supporting this facility's needs.

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

38 USC § 8153 (a)(3)(B)(i) states, "If the health-care resource required is a commercial service or the use of medical equipment or space, and is not to be acquired from an institution affiliated with the Department, any procurement of the resource may be conducted without regard to any law or regulation that would otherwise require the use of competitive procedures for procuring the resource.

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

SpecialityCare, Inc. [REDACTED]

VHAPG Part 813.5 Simplified Acquisition Procedures for Certain Commercial Items  
Attachment 1: Request for Sole Source Justification >SAT-\$7.5M under FAR13.5

3 Maryland Farms, Suite 200  
Brentwood, TN 37027

**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:**

This agency has taken an approach of reaching out to the [REDACTED] Department of Cardiothoracic Surgery to inquire about the use of their perfusion team under an affiliated contract. However, they have concluded that they do not have the staff to provide transfusion services as there is not enough work to justify pulling staff from their current hospital partners.

**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.

**ALICIA  
DUNCAN** Digitally signed by ALICIA  
DUNCAN  
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Alicia K. Duncan  
Supervisory Medical Management Specialist, Surgical Service  
Robley Rex VA Medical Center  
800 Zorn Avenue, Louisville, KY 40206  
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**13. Approvals in accordance with the [VHAPM Part 806.3 OFOCSOP](#):**

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.

**DEWANA  
RAYNOR** Digitally signed by  
DEWANA RAYNOR  
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Dewana M. Raynor  
Contracting Officer  
Health Care West, NCO-9  
1639 Medical Center Parkway, Suite 400, Murfreesboro, TN 37129  
Office: 615-225-5498

b. **One Level Above the Contracting Officer (Required over SAT but not exceeding \$750K):** I certify the justification meets requirements for other than full and open competition.

**JACKIE  
MERRIMAN** Digitally signed by JACKIE  
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