

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

1. The Defense Logistics Agency, Defense Supply Center Philadelphia (Directorate of Medical Materiel) is the contracting activity.
2. The action being approved is the acquisition of equipment on an other than full and open competition basis, only one responsible source.
3. The equipment to be acquired are system upgrades to existing pharmacy dispensing technology located in eighty two military treatment facility (MTF) pharmacies throughout the Air Force Medical Service (AFMS). The purchase price for these system upgrades totals \$3,295,452.20.
4. The statutory authority permitting other than full and open competition is 10 U.S.C. 2304 (c)(1) - Only One Responsible Source.
5. The use of the above-cited authority is necessary because only Innovation Associates of Johnson City, NY can supply the system upgrades to this existing proprietary equipment.

The PharmASSIST System is an automated medication dispensing system for oral solid medications with linked and computerized quality assurance software. The system is totally integrated with the Composite Health Care System (CHCS) using digital imagery and bar code technology incorporated into the entire paper-less prescription filling process.

The PharmASSIST System is capable of synchronizing optical images for two or more pharmacies on a single CHCS host. Synchronization provides a significant safety measure; verifying accuracy for all prescription fills at various CHCS hosted pharmacy sites against the original scanned hard copy prescription. Additional safety measures of the PharmASSIST Enterprise System include separate dispensing chutes for prevention of product cross-contamination and bar code verification before filling the dispensers and an additional safety check with the bar code prior to retrieving the medication for dispensing.

6. This acquisition will be synopsisized as permitted by FAR 5.201. A solicitation with a response time of 10 days is being issued to Innovation Associates of Johnson City, NY, the only known firm that can provide system upgrades to existing proprietary pharmacy dispensing technology located in eighty two military treatment facilities.
7. I hereby determine that the anticipated cost to the Government will be fair and reasonable based on commercial catalog pricing.
8. Members of DoD pharmacy completed a system-wide reallocation study in August 2000. At that time, the determination was made that only Innovation

Associates, manufacturers of PharmASSIST, was capable of providing the equipment and support that would meet the required needs of AF pharmacy. Since then, eighty two AFMS MTF pharmacy sites have standardized to the proprietary equipment of the PharmASSIST system. Only Innovation Associates with PharmASSIST has the knowledge and experience to provide the required equipment and support to meet the functional, technical, and security requirements necessary for current application of expected pharmacy practice standards.

9. This requirement is very important to the continuing functionality of eighty two AFMS pharmacy sites. Therefore, Innovation Associates Inc. is the only available source for the subject item.

10. No other sources were contacted regarding this acquisition.

11. Competitive barriers are not imposed by this agency. In the future, if the urgency and the unique functional requirements are not a factor, full and open competition will be explored.

12. I hereby certify that the information contained in this justification is accurate and complete to the best of my knowledge and belief.