

# 2019 Fall Healthcare Conference

DHA, DLA, and VA – A Team Approach



**THE COALITION**  
*for Government Procurement*

Keynote: Dr. Angela Billups, Executive Director, OAL,  
VA



# DHA, DLA, and the VA

- Moderator: Roger Waldron, President, Coalition for Government Procurement
- Phil Christy, Acting Principal Executive Director, Office of Acquisition, Logistics, and Construction, VA
- Matthew Beebe, Director of Acquisition, DLA
- Dr. Barclay P. Butler, Chief Acquisition Executive, DHA



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# Break and Networking



# VA Healthcare Acquisition Panel

- Moderator: Aubrey Woolley, Vice President of Public Policy, Coalition for Government Procurement
- Tom Leney, Associate Executive Director, SAC, VA
- Rick Lemmon, Executive Director Procurement, VHA
- Andrew Centineo, Executive Director Procurement and Logistics, VHA

## Update on Clinical Input

Tammy Czarnecki, Assistant Deputy Undersecretary  
of Health for Administrative Operations, VA



# Clinically Driven Strategic Sourcing (CDSS)

**VA**



U.S. Department  
of Veterans Affairs



[Video](#)



00:00.00





# CDSS addresses key challenges identified in VHA sourcing

## Current VHA Procurement Challenges

## CDSS Mechanisms to Address Challenges

## Expected Outcomes

Lack of efficient **mechanisms prioritizing clinician input** throughout procurement

1

**Strategic sourcing process driven by clinicians**, with end-to-end clinician engagement

✓ **Increased clinician satisfaction and procurement of products that meet clinical needs**

**Retrospective forecasting** of demand for medical products

2

**Value Analysis Framework** that captures past and future demand for clinical products

✓ National sourcing decisions that **meet changing field requirements**

**Lack of coordinated sourcing** of equipment & related commodities

3

**CDSS PVAT with broad procurement, supply chain, and clinical expertise**

✓ **Coordinated procurement of equipment and associated expendable supplies**

Lack of upfront cooperation with **contracting**

4

**Early engagement of contracting within Program Value Analysis Teams**

✓ **Streamlined procurement process and reduction in acquisition package errors**





# Program metrics selected to track CDSS impact

Objective	Event Metric	Baseline	Goal by Sep 2020
1. Increase clinician engagement	<b>Leading:</b> Increase clinician involvement in CDSS	6	≥ 42
2. Improve procurement process efficiency	<b>Lagging:</b> Decrease average acquisition/ contracting cycle time for CDSS items	> 365	≤ 300
3. Reduce variation	<b>Leading:</b> Reduce product variation within CDSS product lines	Baseline TBD	≥ 60% reduction
4. Increase clinician satisfaction	<b>Lagging:</b> Increase clinician satisfaction with acquisition process	~ 58%	≥ 70%
5. Increase VHA cost avoidance	<b>Lagging:</b> Decrease cost of CDSS products from baseline	Baseline TBD	≥ 10% reduction
6. Reduce P-Card spend through national contract increase	<b>Lagging:</b> Reduce p-card spend on CDSS products to <10% of overall spend	Baseline TBD	≤ 10%

# Lunch



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# Breakout Sessions

<b>1:15 Session</b>	<b>Room</b>	<b>2:30 Session</b>	<b>Room</b>
Medical Surgical Supplies	Tickets Lounge	Medical Surgical Supplies	Tickets Lounge
Medical Imaging Equipment	Salon VII	Prosthetics	Salon VII
Pharmaceutical, DHA	Salon VIII	Pharmaceutical, VA	Salon VIII

# CGP Healthcare Forum - 20 NOV 19

## VA-DLA Shared Services, Med/Surg Prime Vendor

- ▶ Presenters:
  - Dr. Jaime Wilbur, Acquisition Director, SAC, VA MSPV Program
  - Steve Bollendorf, Chief, DLA MSPV Program
  
- ▶ VA MSPV 2.0 Update
  - Solicitation Re-Issue Date: 27 SEP 19
  - Proposal Closing Date: 28 OCT 19
  - Proposals Currently Under Evaluation
  
- ▶ Blanket Purchase Agreements (BPA) Update
  - RFQs issued and closed for 23 Product Categories
  
- ▶ DMLSS (Defense Medical Logistics Standard Support) Implementation Schedule
  - Multi-Year Roll-out throughout the VA
  - Pilot Sites:
    - James A. Lovell Federal Healthcare Center (FHCC), Winter 2020
    - VISN 20, begins with Spokane and Puget Sound, Summer 2020

# CGP Healthcare Forum - 20 NOV 19

## VA-DLA Shared Services, Med/Surg Prime Vendor

- ▶ VA-DLA Inter-Agency Agreement (IAA) for FHCC and VISN 20
  - Signed on 21 AUG 19
  - Serves as a Pilot to allow JAL FHCC and VISN 20 to order medical supplies via the DMLSS ordering system and DLA's Prime Vendor Program
- ▶ FHCC Update:
  - Transitioned to DLA MSPV Support on 1 MAR 19
  - Ordering via DLA ECAT Portal until DMLSS Implementation (Winter 2020)
  - Sales as of 6 NOV: \$2.1M, 1,163 orders, 4464 lines, 867 unique items
- ▶ VISN 20 Transition to DLA MSPV
  - Scheduled to be implemented with DMLSS
  - Spokane VAMC, AUG '20 and Puget Sound, SEP '20
  - Remaining Sites to follow
- ▶ Veteran Small Business Outreach
  - VA-DLA Co-Brief at 9th Annual National Veterans Small Business Engagement (NVSBE) in Nashville, TN on 10-11 DEC
  - Training on DLA's MSPV Program and How to Obtain a DLA Distribution and Pricing Agreement (DAPA)



# SAC Strategically Sourced Contracts (Prosthetics)

November 20, 2019

Presenter(s):

**Penny Nechanicky** (National Director,  
Prosthetics & Sensory Aids Services)

**Zachary Wilcox** (SAC Division  
Chief/Contracting Officer)

**STRATEGIC**  
ACQUISITION CENTER





# Learning Objectives



- PSAS Overview
- FY19 Budget Category Breakdown
- Purchasing Authority
- Current Prosthetic Contractors (Manufacturers & Distributors)
- New Add-on Procedures
- Future Expansion of the Non-Biologics Contracts
- Potential Products for Future National Contracts



# Prosthetic and Sensory Aids Service (PSAS)



- Our **mission** is to provide medically appropriate equipment, supplies, and services that optimize Veteran health and independence.
- The **goal** of Prosthetic and Sensory Aids Service (PSAS) is to ensure devices and services for Veterans are strategically sourced and consistent with clinical need.

## **PSAS utilizes national acquisition strategies to:**

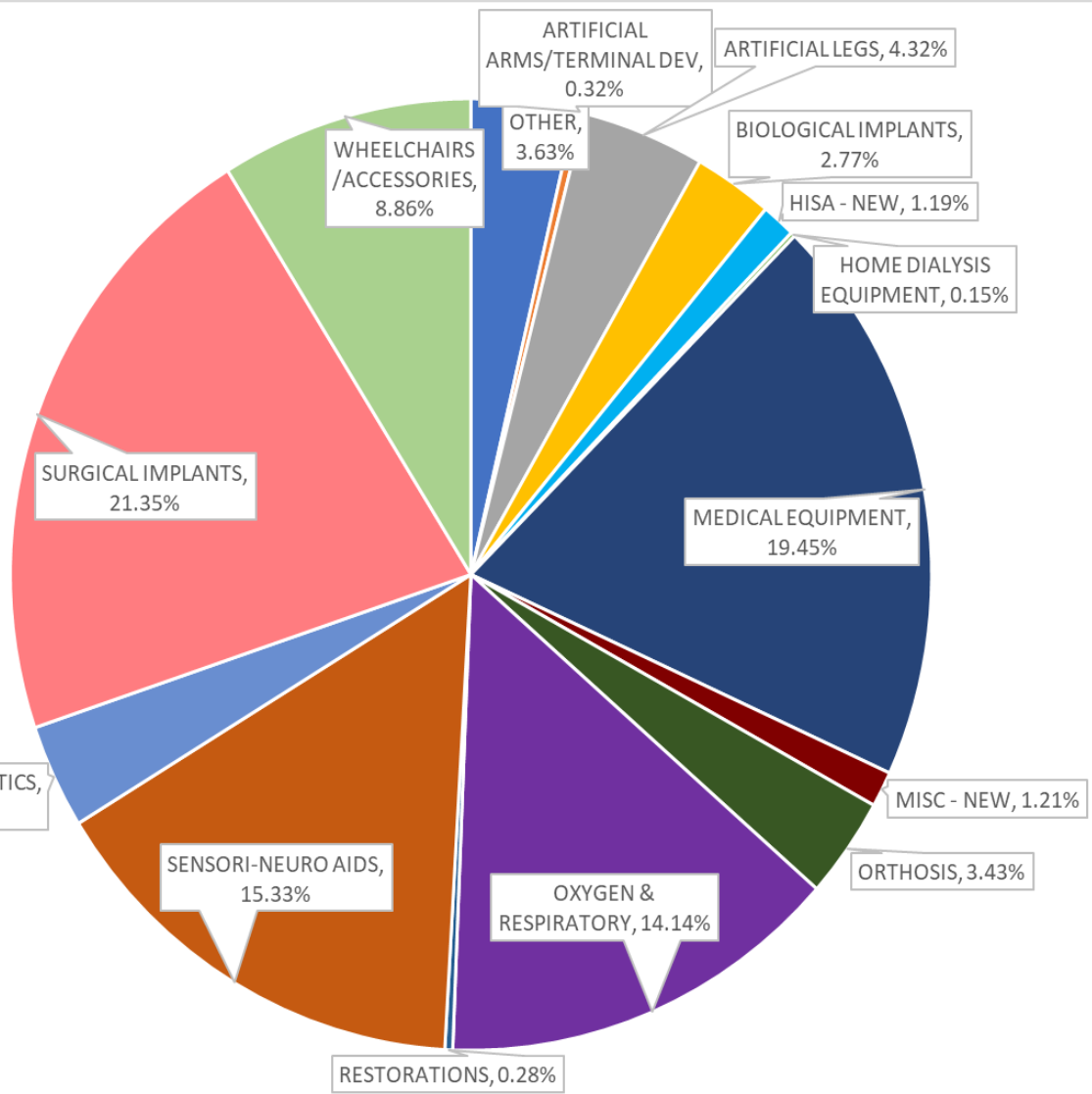
- Leverage economies of scale for Prosthetic items to ensure best value, low cost, and high quality is achieved.
- Partner with clinicians through Integrated Product Teams.
- Increase timely procurement of Prosthetic items.
- Improve procurement and payment efficiencies (order more and purchase less) while complying with Federal Acquisition Regulations (FAR) and VA Acquisition Regulations (VAAR).

*VHA Handbook 1173 establishes uniform and consistent national policy and procedures for the provision of prosthetic services.*





# FY 19 Category Breakdown of PSAS Budget



*Over 55% of all Veterans treated in VHA received PSAS items and services.*

*In FY2019, VA obligated: ~ \$3.5B to provide 22M devices/items to 3.5M Veterans.*



# Prosthetics Acquisition



- Competed in the open market and under Title 38 United States Code (U.S.C.) 8123 that provides authority for the procurement of surgical implants, without regard to any other provision of law.
- 56 single-award IDIQ contracts awarded (to date)
- The SAC Prosthetics program covers a wide range of prosthetic devices including wheelchairs, audio prescription reading devices, hips, pacemakers and stents.
- Contracts are available to any VA contracting activity and ensure uniform pricing across the VA enterprise.



# Why Use SAC Prosthetics Contracts?

- Streamlined acquisition procedures enabling Medical Centers to get what they need faster
- Increased access to qualified, pre-vetted contractors
- Better and Standardized pricing
- Requirements developed in partnership with program management offices for enhanced life-cycle management



# Non-Biological Implants Contractors



Manufacturers	Distributors
Endologix, Inc.	Academy Medical, LLC
Smith and Nephew	Buffalo Supply
Nuvasive, Inc.	
Abbott Labs	
Encore Medical	
Biotronik	
Medtronic	
Stryker Howmedica	
Boston Scientific Corp	
DePuy Synthes Spine	
DePuy Synthes Joint Reconstruction	
DePuy Synthes Trauma	
Zimmer US Inc.	
Cook Medical, LLC	



# Biological Implants Contractors



Manufacturers	Distributors
Davol, Inc (BD Interventional Surgery/Bard)	Academy Medical, LLC
Smith and Nephew	Buffalo Supply
Stryker Howmedica	Affirmative Solutions, LLC
RTI Surgical, Inc	Alliant Enterprises, LLC dba Alliant Healthcare Products
Stability, Inc	Atlas Partners, LLC dba Atlas Spine
Zimmer US, Inc dba Zimmer Biomet	Avkare, Inc
	Benchris & Associates, Inc.
	Black Knight Medical, LLC
	Cook Medical, LLC dba Cook Medical
	ERA Health, LLC dba Veterans Health
	JLS Medical Products Group, LLC
	Organogenesis, Inc.



# Biological Implants Contractors



Manufacturers	Distributors
	PhysioRX, LLC
	Regenerative Processing Plant, LLC
	RegeniSource, LLC
	Spartan Medical, Inc dba Spartan Medical
	Buffalo Supply
	Genedix Lab
	Kandu Supplies and Services



# New Add-on Procedures



- Scheduled Semi-Annual Add-on Periods for both Biological and Non-Biological Implant Contracts.

## **Accepted on Semi-Annual Basis (Deadline)**

1<sup>st</sup> Submission – October 1, 2019

2<sup>nd</sup> Submission – April 1, 2020

- The SAC will no longer set a number on the number of items to be added but the SAC will reserve the right decline adding products with no demand in the VA.



# Alternative Add-on Procedures



- Contractors can add products outside the add-on period (without a Technical Evaluation) if the product can meet the below Criteria:
  - FDA Approved/Certified (510K, 361, or 351)
  - Provide Historical Sales data showing product has been purchased by other means by at least 5 VA Medical Centers
  - Provide copy of Commercial Warranty (if applicable)





# Additional Non-Biological Implant Contractors

- Projecting to Add 5 – 7 new Non-Biological Implant Contractors in 2020
- The number of new contractors will be determined by the annual spend data with the VA
- Will be IDIQ Contracts with a 60 month ordering period.



# Status of Prosthetic's Distribution and Pricing Agreements ★ ★ ★ ★ ★

As result of ordering responsibilities shifting for prosthetic stock items from prosthetic to logistics. VHA Logistics Program Office has began solicitating awarded and future vendors to consider allowing consumable/accessory items to also be made available via VHA Medical Surgical Prime Vendors by DAPA against base Indefinite Delivery Indefinite Quantity Contracts

## **Completed DAPAs Include:**

1. Automatic Blood Pressure Monitors
2. Nebulizers
3. Tens Units
4. Vacuum Erectile Devices
5. Wheelchairs
6. Non-Biologic Implants (2 Vendors)
7. Biologic Implant (1 Vendor)

## **Pending DAPAs Include:**

1. Non-Biologics Implants (5 Vendors)
2. Biologics & Implants (2 Vendors)



# SAC Forecast Opportunities for FY20



Requirement Title	Description	Anticipated Actual/Projected Release	Anticipated Actual / Projected Award	Anticipated Value over 5 years
Electric Patient Lifts and Slings	Variety of Lifts and Slings	Spring 2020	Fall 2020	\$14-\$25M
Close Circuit TV	Desktop Video Magnification Close Circuit TVs for Home use	Early 2020	Summer 2020	\$40M



# Denver Logistics Center (DLC) /Commodities and Services Acquisition Service (CSAS) Forecast Opportunities for FY20

Requirement Title	Description	Anticipated/ Actual Solicitation Release	Anticipated/Actual Award Date	Range of Value for 5 year contract
Home Telehealth	Remote Home Monitoring of Medical Condition	Early 2020	Early 2021	\$1B
Positive Airway Pressure Devices & accessories	Respiratory device for treatment of sleep apnea	July 2019	May 2020	\$985M
Orthotic Soft Goods	Braces, Binders, Splints, etc.	April 2019	Early 2020	\$160M
Power Wheelchairs	Customized/ complex power wheelchairs	TBD	TBD	\$250M
Wheelchair & Scooter Repair and Service	Service and repair for Veteran issued wheelchairs and scooter	Early 2020	Summer 2020	\$125M



# DLC/CSAS Forecast Opportunities for FY20



Requirement Title	Description	Anticipated/Actual Solicitation Release	Anticipated/Actual Award Date	Range of Value for 5 year contract
Auditory Osseointegrated Implants	Electronic Device to Improve Hearing	Early 2020	May/June 2020	\$25M - \$50M
Eyeglasses	Eyeglass fitting services and glasses for Veterans receiving their optical care in the community	TBD	TBD	\$140M+
Cochlear Implants	Electronic Device to Improve Hearing	TBD (IPT will be launched in January 2020)	TBD	\$90M



# Other Strategic Contract Opportunities



- The SAC is actively seeking partnerships and business opportunities and will work with customers to make the process “*better, faster, easier.*”
- If an NCO or VISN sees an opportunity for a national contract, we encourage them to reach out to the SAC.
- Even if they don’t have a developed requirement, and only have a notional concept or idea for a nation-wide contract initiative – reach out to us. We are here and will help determine feasibility, possible need, and “how” to make it happen.



# Points of Contact



## Program-Level Support

<b>Norman Ramos</b> Project Manager (To Gain Access to CARE – NSSL Site)	Healthcare Commodities Office – Formulary Management Team Procurement and Logistics Office (10NA2) Veterans Health Administration	202-632-7864 <a href="mailto:Normandy.Ramos@va.gov">Normandy.Ramos@va.gov</a>
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<b>Audrey Ezell-Upchurch</b> Project Manager	FAC P/PPM (Senior Level), FAC-C COR Level III Program Executive Office (PEO) - Prosthetics VHACO Procurement & Logistics (10NA2)	202-258-3448 <a href="mailto:Audrey.Ezell-Upchurch@va.gov">Audrey.Ezell-Upchurch@va.gov</a>
<b>Kimberly Cowan-Tucker</b> Project Manager	FAC P/PM Senior Level; FAC – C COR Level III Healthcare Commodities/VHA Program Executive Office (10NA2)	832-341-4273 <a href="mailto:kimberly.cowan-tucker@va.gov">kimberly.cowan-tucker@va.gov</a>
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# Points of Contact



## Contracting Support

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Brian Love	202-664-6206 <a href="mailto:Brian.love@va.gov">Brian.love@va.gov</a>	Supervisory Contract Contracting Officer





# Questions?

