

VA



U.S. Department
of Veterans Affairs

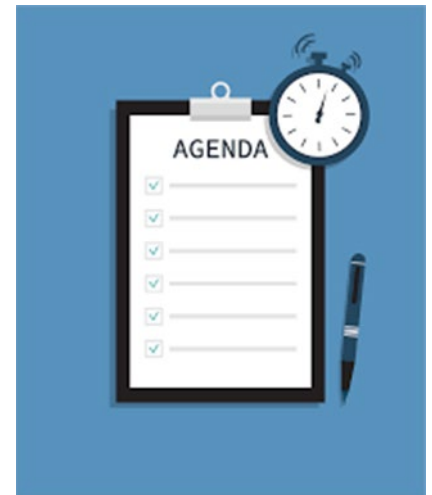
Prosthetic and Sensory Aids Service (PSAS) New Implant Contracts 2023 - 2024

Dec 2023



AGENDA

- Introductions
- Goals & Objectives
- Solicitation Process
 - Integrated Product/Process Team (IPT) Formation
 - Data Review
 - Requirements Development
- Solicitation Process and Phases
 - Process
 - Phase 1 – 2023
 - Phase 2 – 2024
- Highlights on new contracts
 - Contract Items
 - Supply Chain Master Catalog
 - Consignments
- Future





GOAL

- **Goal**

- To improve the Veteran experience by providing the ability to obtain high quality Implants (tissue and tissue-based and non-biologic) in an expedient manner.





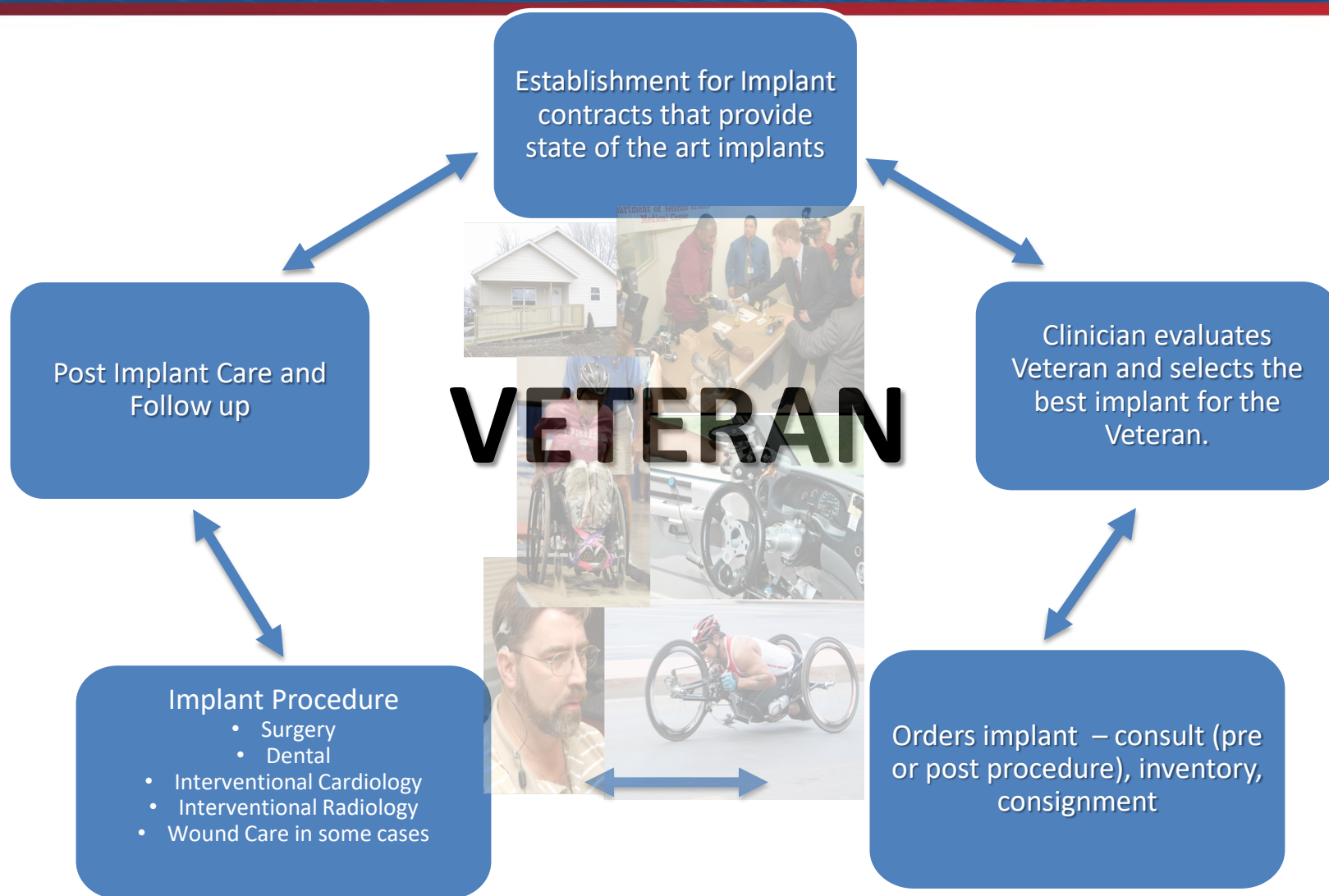
OBJECTIVES

- **Objectives**

- **Ensure availability and consistency of products for nationwide usage** and to obtain **volume-based, standardized pricing** by establishing enterprise-wide IDIQ contracts. The Government desires to continue the practice of reducing costs by **standardizing the ordering of products and sources of supply while, simultaneously, balancing clinician considerations for obtaining quality products.** The Contractor shall provide and **uninterrupted source** of supply for Implants for the entire duration of the period of performance. The **contractor shall provide quality items that meet specifications and deliver within the terms of the delivery order.**
- **Leverage the size of a VHA enterprise account** to establish **specific technical requirements**, favorable pricing, and warranties, **negotiated delivery options**, and other economy of scale advantages.
- Establish enhanced **Veteran-centric support by expediting the procurement and delivery** of Implants
- Ensure VA has access to **quality, state of the art implants.**



Veteran Centric Process for Ordering Implants





Solicitation Process

IPT formed in Fall 2021

Data Review

**Requirements
Development**

IPT Membership

- VHA Clinicians (Providers, Implant Coordinators)
- Strategic Acquisition Center (SAC)
- VHA Medical Supply Program Office
- VHA Logistics
- VHA Procurement
- PSAS Program Office/VISN and Field Representatives
- OGC
- AD HOC Members to include Biologic IPT Project Managers, SCMC POCs



Solicitation Process

IPT formed in Fall 2021

Data Review

Requirements Development

Data Review

- Implants are almost 20% of PSAS' FY23 \$3.7B spend (\$750M)
- Gathered and analyzed PSAS NPPD data on Implant expenditures
- New contracts will combine Non biologic and tissue and tissue-based products (aka Biologics)
- Identified current processes that worked and those that did not work
 - Input from VHA staff and Industry
- Identified top vendors per procurement data (30+ bidders)
- Identified top spend vendors that were not on contract with the VA



Solicitation Process

IPT formed in Fall 2021

Data Review

Requirements
Development

Requirements Development

- Requirements included expansion of Implant Definition
 - Includes absorbable implants
 - Includes proprietary delivery devices
- Use and expansion of 38 U.S.C. § 8123 Authority (in progress)
- **Pending publication of VHA Directive 1081.01**
- Logistics will have authority to use 38 U.S.C. § 8123 Authority for purchases of implant inventory to include, implants, delivery mechanisms and closely associated implant items (CAPI)



Solicitation Process and Phases

- **Implant Contract Process**

- The acquisition strategy for the follow-on surgical implant procurement effort for both Tissue and Tissue-based (Biological) and Non-biological Surgical Implant Devices was to capture most of the VA Surgical Implant device annual spend on national contracts in an effort to standardize pricing and product evaluation.
- Ensure availability and consistency of products for nationwide usage and to obtain volume-based, standardized pricing, standardizing the ordering of products and sources of supply while, simultaneously, balancing clinician considerations for obtaining quality products that meet specifications and deliver within the terms of the delivery order.
- Establish enhanced Veteran-centric support by expediting the procurement and delivery of Implants by establishment of local Consignment Agreements that ensure VA has access to quality, state of the art implants on-hand.



Solicitation Process and Phases

- **Implant Contracts Phase 1**
 - Using 38 U.S.C. § 8123 Authority, the SAC has issued a solicitation to vendors whose products make up most of the annual VA spend for Surgical Implant Devices.
 - The SAC plans to issue sole source contracts to the identified contractors and this process is the Phase I approach of the acquisition strategy.



Solicitation Process and Phases

- **Implant Contracts Phase 2**
 - Acquisition Strategy TBD
 - Vision: To maximize availability of implant products to VA clinicians on national contracts.
 - Phase II will not begin until Mid-2024.



Highlights on new contracts

- **Contract Items**

- Implants – both tissue/tissue-based and non-biologic
 - Including all implants even those that are considered absorbable (PSAS)
- Implant Proprietary Delivery Mechanisms
 - Delivery mechanism for implant that is proprietary to the implant (PSAS)
 - For example – a “kit” that includes the implant and the device to implant it would not all be PSAS items because the device is proprietary to that implant and essential for implantation
- Closely Associated Prosthetic Items – CAPI
 - Items identified by the vendor that are inherent for the implant surgery but not proprietary to the implant or implant system (LOG)
 - Items identified by the vendor that they did not want to send through MSPV
 - Consignment currently cannot be done under the MSPV.



Highlights on new contracts

- **Supply Chain Master Catalog**
 - All items on the PSAS Implant Contracts will be uploaded to the SCMC and marked as PSAS or LOG purchases.



SUPPLY CHAIN MASTER CATALOG



Highlights on new contracts

- **Consignment**

- Simplified agreement – Delivery mechanism
- Agreement is under the authority of the SAC CO
 - Once signed, will be uploaded to MSPO SharePoint site and a copy needs to be maintained at the facility.
- Agreement VAMC signatory to be decided at local level
 - VHA CO's do NOT sign the agreements or enter anything in eCMS.
 - Suggest considering whoever manages the Consignment Inventory currently. Ultimate decision is up to the VAMC.
 - Agreements no longer need NCO involvement per VHA Procurement.
- Focus should be on:
 - Secure inventory at various locations
 - Adequate PAR levels
 - Ensuring vendors review and replace inventory as required
- The consignment template will be used, and all the Terms and Conditions of the actual contract apply to the consignment agreement. There will be no new terms and conditions added to the agreement.



Consignment Template



Consignment
plate fillable Versio

SURGICAL IMPLANT NEXT GENERATION - CONSIGNMENT AGREEMENT MEMORANDUM OF UNDERSTANDING

VAMC FACILITY NAME:

VAMC Facility Name

VAMC FACILITY ADDRESS:

Street Address City State Zip Code

VENDOR ACCOUNT #: Customer Number

In the spirit of Acquisition streamlining,

VAMC Facility Name
(the "VAMC Facility") and Contractor's Name (the "Contractor" or "Vendor") enter into a
Consignment Agreement ("Consignment Agreement") effective January 1, 2024 to facilitate the
acquisition of Non-Biological Implants from the VA National Acquisition Center Strategic Acquisition
Center ("SAC") Contract Contract Number.

Strategic Acquisition Center's Contract(s) reduce contracting and open market costs such as search
for sources, the development of technical documents, solicitations and the evaluation of bids and
offers.

Under this agreement, the respective contract vehicle will be used as a delivery method only.

The parties agree that the Terms and Conditions set forth in the above-referenced SAC contract,
this Consignment Agreement and those set forth in the individual purchase orders shall govern
performance on that order. In no event will the Terms and Conditions set forth in either this
Consignment Agreement or the individual order be construed as changing the scope of the SAC
Contract Contract Number.

Signatures:

VAMC FACILITY:

Signature

*Signature/ Date Signed

Name:

Title:

Email:

CONTRACTOR:

Signature

*Signature/ Date Signed

Name: John Smith

Title: Sales Manager

Email: john.smith@xyz.com

Contractor's Name: Contractor's Name
Unique Entity ID:

**VA Medical Center Director or Delegated Designee*

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Current Consignment Agreements

- As new contracts are awarded, old consignment agreements, based off the expiring contracts, will need to be replaced with new consignment agreements
- It is essential for the vendor and the facility to work together if the consignment inventory is not accurate
- For the old consignments, please work with your NCO office since these agreements were typically signed by individuals in the NCO



Important Links

- **New Implant Contract Consignment Agreement information:**
 - The VAMC designees will email a copy of signed consignment agreements to the Medical Supply Program Office (MSPO) to vhasimca@va.gov
- **To access facility New Contract consignment agreements:**
 - [Prosthetic, Med Imagine, Lab Team - Consignment Agreements - All Items \(sharepoint.com\)](#)
- **To access the VA Supply Chain Master Catalog**
 - <https://dvagov.sharepoint.com/sites/VHAPLO/Logistics/OPR/SCMC/SitePages/Home.aspx>
- **To access the contract listing, visit (New SharePoint site)**
 - [Medical Supplies Program Office \(MSPO\) - National Strategic Source Listing - National Contracts, BPAs, and BOAs \(sharepoint.com\)](#)
- **To Submit a Quality Improvement Report to:**
 - VHAPSASPMOQIR@va.gov



Future

- Identify and delete contract items not used by VHA
 - Before submission
 - Throughout contract life
- Establish ordering mechanism
 - Provide electronic ordering platform for clinicians
 - Provide method to order inventory with that links to GIP
 - Provide streamlined payment process
 - Provide single payment process to Vendors
 - Payment process will separate out PSAS and Log charges internally
 - Provide data for future reviews, audits and contracts



Points of Contact

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Thank You! Questions?

- What is the best way for small to medium size companies to get on the Prosthetics Contract?
- What are the requirements for companies that have not been on the Prosthetics Top 20 prior to be added to the Prosthetics Contract?
- With the releases of the new contract could the VA please provide a roster of all the VA Prosthetics Chiefs?
- Regarding the consignment process – Does the VA or the SAC have the ability to place a deadline on when facilities need to have the transfer of consignments from the old Implant Contract to the Next Gen Implant Contract complete?
 - o Members are concerned about a lack of urgency in the facilities to get this done even though consignments have expired.

