

SOURCE JUSTIFICATION FORM

Bureau of Procurement

The objective of this form is to capture all relevant documentation an Agency may have to assist the Department of General Services ("DGS"), Bureau of Procurement, in expediting the source justification review process. This form must be completed electronically, signed, and submitted with all relevant documentation to DGS. If a question is neither mandatory nor applicable, please indicate "N/A". Please use standard terminology and define acronyms.

SECTION A

1. Agency Name:	Department of Health		
2. Procurement Description: This description will appear on the eMarketplace website for public viewing	Six Otodynamics Otocheck Model TE Otoacoustic handheld newborn hearing screening units and related supplies with delivery to selected locations with Central and Southeastern PA. Onsite training will also be provided.		
Materials Description:	Six standard packages with each package to include: 1 Otocheck Portable Screening Unit; 1 set of user manuals; 1 probe; 1 Otolink PC software package (compatible with Window 7, Vista and XP); 1 test cavity; 1 download cable; 1 consumables starter pack (including a box of probe tips); 1 charging cradle; and, 1 carrying case for both the Otocheck screening unit and for standard accessories. In addition to the standard package also included in this purchase are six (6) UGS General Purpose Probes (TEOAE only).		
Services Description:			
3. Materials Shopping Cart # or Services SPR#	11650179	Estimated Cost:	\$10,001 - \$50K
		Initial Contract Term:	06/01/2014
		Renewals:	N/A
4. Supplier - Name:	Gordon N. Stowe & Associates Inc. DBA Midlantic Technologies Group, LLC		
Full Address:	3191 Trewigtown Road, Suite 100, Colmar, PA 18915-9731		
Contact Name:	Dr. Sherman Lord		
Telephone:	800-499-6844	FAX:	215-822-9732
E-mail:	slord@midlantictech.com		
SRM Supplier #:	407934		
5. Delivery or service location:	Midlantic Technologies Group, 3191 Trewigtown Road		

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SECTION B

- ☐ **1. Sole Source:** Only known source - Not available from another supplier.
- ☒ **2. Material/Repair/Maintenance:** Material or service MUST be compatible with existing equipment. Documentation must be provided from the manufacturer.
- ☐ **3. Used Equipment:** Value set by 2 independent 3rd party appraisals.
- ☐ **4. Professional Expert:** Describe in detail in Section C.
- ☐ **5. Exempt (Law):** A federal or state statute or regulation exempts the procurement from the competitive procedure. Any applicable information precluding the procurement from competitive procedures must be attached.
- ☐ **6. Feasibility:** Clearly not feasible to award the contract on a competitive basis.

SECTION C

1. Describe the unique features of this procurement that prohibit a competitive environment. If applicable, attach a Statement of Work ("SOW").

These newborn hearing screening units are medical devices. The devices that are being purchased are the same type that the Department is currently using to screen out-of-hospital births. The Department currently has 25 of these devices in service. We wish to purchase the same type of devices that we are currently using since there are times we must transfer or move the devices from one birthing center to another. Using the same type of devices means that the users within the screening network are familiar with the devices and don't require additional training when devices are moved between locations. Using the same type of devices also limits the types of supplies we must purchase and carry in inventory, helping to reduce program costs.

These devices can only be used to screen newborns for hearing loss and should only be used to screen low birth populations, thus hospitals with large birth populations would not use this same type of devices. This means that only a small number of these devices are sold.

2. Document and attach the research that has been conducted to date to verify the supplier is the only known source.

The devices are manufactured by Otodynamics Ltd. There are two Pennsylvania authorized dealers (Midlantic and Gordon N. Stowe and Associates). However Gordon Stowe handles only a few counties (by zip code) in the extreme western part of PA. Midlantic is the only authorized dealer for the rest of the state. Please see the attached map and letter from Otodynamics.

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3. Does the supplier utilize distributors, dealers, resellers, etc.? If "Yes," please identify.

These are medical devices manufactured by Otodynamics Ltd and sold only through authorized dealers. Due to extensive training, installation support, and warranty support issues included with each purchase, Otodynamics will not authorize the sale of the this product by distributors outside of the consumer's geographic support region. Violations of this agreement risk loss of on-site technical and warranty support.

Midlantic Technologies is the sole and exclusive sales/service/support representative for Otodynamics Ltd. products in all counties of Pennsylvania with the exception of those counties directly on the western edge of the state sharing a border with Ohio (see attached letter and map).

4. Are there compatibility requirements or compliance requirements with a warranty or service agreement? If "Yes," please explain.

No

5. How has the material or service been procured in the past? Please provide previous source justifications, contracts, & PO's for this material or service.

In 2011 units were purchased by bid. Midlantic Technologies was the successful bidder. Purchase Order No: 4300287223. Please see attachment called 'Previous Order' for further explanation.

6. If procured through the IT ITQ process, please provide original \$ amount and contract period of order. Is this the final phase of the project?

N/A

7. If this is an upgrade, addition, alteration, etc., to an earlier procurement, please describe in detail.

N/A

8. What are the consequences of not approving this procurement?

These units are medical devices that are used by free-standing birthing centers and midwives to test babies who were not born in a hospital for permanent childhood hearing loss. Without the units, the babies will not be tested and hearing loss will not be timely identified. Late identification of hearing loss in newborns can negatively impact speech and language development, academic achievement and social-emotional development.

9. If timing is a factor, what is the time factor and why?

These units are being purchased with federal grant funds and the purchase must take place before August 31, 2014.

10. List any other information relevant to the acquisition of this procurement here or as an attachment.

Units are to be delivered to Midlantic Technologies, Colmar, PA. Before delivery, the Department will provide Midlantic with information on what birthing-centers and midwives are to receive the units.

11. For requests > \$100,000, has the supplier signed cost or pricing data certification and is the pricing breakdown attached?

N/A

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SECTION D

IMPORTANT*: The printed names on this form shall constitute the signatures of these individuals. Agencies must insure that these individuals review the completed form and give their consent to apply their printed name on this form. No handwritten signatures shall be required in order for the form to be considered "signed" by those individuals whose names appear in the signature section of the form.

Shopping Cart Contact Person (Person whom DGS will contact regarding the Shopping Cart):

Name:	<input type="text" value="Lori Diehl"/>	P-Group:	<input type="text" value="293"/>	Date:	<input type="text" value="04-03-14"/>
Title:	<input type="text" value="Administrative Officer IV"/>	Telephone:	<input type="text"/>	Fax:	<input type="text"/>

Agency Contact Person: Person in your agency that DGS can contact for additional information, etc.

Name:	<input type="text" value="Lori Diehl"/>	Title:	<input type="text" value="Administrative Officer IV"/>	Date:	<input type="text" value="04-03-14"/>
Telephone:	<input type="text"/>	Fax:	<input type="text"/>	Email:	<input type="text" value="ldiehl@pa.gov"/>

Approving Authority (Agency Head or Deputy reviewing and approving this request): Approving Authority connotes approval of the source justification and the cost or pricing data certification.

Name:	<input type="text" value="Terri Matio"/>	Title:	<input type="text" value="Director, Bureau of Administrative"/>	Date:	<input type="text" value="04-04-14"/>
Telephone:	<input type="text"/>	Fax:	<input type="text"/>	<input type="text"/>	<input type="text"/>

Additional Approvals (if required by Agency):

Name:	<input type="text"/>	Title:	<input type="text"/>	Date:	<input type="text"/>
Telephone:	<input type="text"/>	Fax:	<input type="text"/>	Email:	<input type="text"/>
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Telephone:	<input type="text"/>	Fax:	<input type="text"/>	Email:	<input type="text"/>
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