DEFENSE HEALTH AGENCY
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Determination and Findings - Consolidation of Contract Requirements for Coagulation Analyzers HCD-West Location

1. Agency/Contracting Activity: The Defense Health Agency (DHA) Contracting Activity (DHACA) Healthcare Contracting Division - West (HCD-W), San Diego, California.

2. Nature and/or Description of Action being approved: In accordance with 15 United States Code (U.S.C.) § 657q, this determination and finding (D&F) justifies the consolidation of coagulation analyzer requirements for twenty-four (24) military treatment facilities (MTFs) within the DHACA HCD-W area of responsibility (AOR) into one (1) single award contract for Coagulation Analyzers.

FINDINGS

3. Background and Course of Action: DHACA, HCD-W is responsible for providing contracting support for coagulation analyzer equipment and supplies for MTFs in five (5) Defense Health Networks: Pacific Rim, Indo-Pacific, Continental, Central, and West. Historically, coagulation analyzers, reagents, consumables, and maintenance services of the analyzers have been provided to each MTF individually through a variety of contract means, including purchase orders, task orders, and delivery orders.

There are currently eleven (11) separate contract actions in-place for coagulation analyzer requirements within the HCD-W AOR, as shown in the table below, requiring significant contract administration at the MTF level, multiple DHACA contracting offices, as well as DHA J8 and DFAS offices.

MTF	Current Contract	Expiring Date	Current Vendor
Madigan Army Medical Center, Joint Base Lewis-McChord, WA	36F79718D0351 / W81K0225FA128	9/30/2029	Diagnostica STAGO
Naval Hospital Camp Pendleton, CA	HT941024P2014	1/31/2028	Diagnostica STAGO
Tripler Army Medical Center, Fort Shafter, HI	W81K0221F0197	9/30/2026	Diagnostica STAGO
56th Medical Group, Luke AFB, AZ	FA488724F0062	9/10/2029	Diagnostica STAGO
673rd Medical Group, Joint Base Elmendorf-Richardson (JBER), AK	HT941025P0145	7/31/2030	Diagnostica STAGO
Naval Hospital Bremerton, WA	HT941023F0132	7/31/2026	Siemens
Robert E. Bush Naval Hospital Twentynine Palms, CA	HT941025P0087	4/30/2030	Siemens
99th Medical Group, Mike O'Callaghan Military Medical Center, Nellis AFB, NV	HT941025F0009	11/16/2027	Siemens
Naval Medical Center San Diego, CA – Core Lab	HT941024P0262	9/30/2029	Sysmex
60th Medical Group, David Grant Medical Center, Travis AFB, CA	FA442724P0092	8/31/2029	Werfen
Weed Army Community Hospital, Fort Irwin, CA	W81K0022P0031	12/29/2026	Werfen

Under the individually awarded contract actions above, the MTFs have experienced issues related to differences in the various statements of work, contract structure, pricing arrangements (CPRR vs cost per reportable result), and administration, which has led to complicated oversight requirements and errors in invoicing.

To resolve these issues, the DHA has been researching the best path for consolidating like requirements gathered across the various Military Departments (MILDEPs) into segmented acquisitions capable of providing coagulation analyzers and delivery of reagents and consumables, based on analyzer type and geographic location. The proposed consolidated strategic sourcing strategy will enable the DHA to implement standardized requirements and business practices across the various MILDEPs within the region for the first time, leveraging a multi-network purchasing strategy that will enable the MTFs within the HCD-W AOR to acquire coagulation analyzer equipment and supplies in a cost effective and efficient manner that provides the following specific benefits:

a. Cost savings: Consolidating the coagulation analyzer requirements of twenty-four (24) MTFs from eleven (11) separate contract actions into one (1) single award contract is anticipated to lead to substantial volume discounts and significantly more competitive pricing. Additionally, the consolidated contract will utilize a "reagent rental" approach under a cost per reportable result (CPRR) pricing arrangement. This approach allows the Government to capitalize on its buying power based on the volumes of reagents and consumables purchased. Instead of having to purchase the analyzer equipment outright, the analyzer equipment, maintenance, and other related services are included at no additional cost as part of the CPRR pricing. In March 2026, a lease vs. purchase analysis was conducted by the Government and concluded that the CPRR approach is the most cost-effective way to acquire and maintain up-to-date analyzer technology.

b. Quality improvements that will save time and improve performance and efficiency: Using a consistent type of analyzer across multiple MTFs will provide standardization that is expected to significantly simplify training, maintenance, and quality control. Minimizing training time and reducing the risk of operator error will directly improve performance and reliability across MTFs, where the accuracy, precision, and uptime of the analyzers are critical for patient care.

c. Reduction in acquisition cycle times: The planned consolidation award timeline for the coagulation analyzer delivery orders is no later than the end of fiscal year (FY) 2026. Consolidating the coagulation analyzer requirements of twenty-four (24) MTFs from eleven (11) separate contract actions into one (1) single award contract will considerably streamline the procurement process and significantly reduce administrative burden for the customers, contracting offices, financial management offices, and vendors. The proposed consolidated contract will have a total delivery period of up to five (5) years and six (6) months to provide ample time to cover transition and equipment deployment for new analyzers, which can take up to six (6) months. The consolidated contract will be awarded with a 12-month base delivery period and up to four (4) 12-month option delivery periods, which will absorb the eleven (11) existing contract actions as each one expires or does not exercise an option. NOTE: RFO 52.217-7 is included.

4. Citation of the appropriate statute and/or regulation upon which the determination and findings (D&F) is based: In accordance with Revolutionary Federal Acquisition Regulation (FAR) Overhaul (RFO) 7.107, consolidation may provide substantial benefits to the Government. However, because of the potential impact on small business participation, before conducting an acquisition that is a consolidation of requirements with an estimated total dollar value exceeding $2 million, the senior procurement executive (SPE) or chief acquisition officer (CAO) is required to make a written determination that the consolidation is necessary and justified in accordance with 15 U.S.C. § 657q.

5. Market Research: The Government conducted extensive market research (Enclosure 1) to determine

the best strategy to meet mission requirements. Market research, in accordance with RFO Part 10, included the following techniques:

a. Review of historical acquisition information and current strategic contracts: HCD-W began by reviewing recent market research results for similar and/or identical supplies and services, as well as reviewing current contracts to determine if small businesses are currently providing coagulation analyzers for MTFs within the HCD-W AOR. Based on that review and the spending analysis of FY2019-FY2025 contract data , there are no small businesses performing on any of the coagulation analyzer contract actions covering the MTFs within the AOR

b. Conducting meetings with industry: In November 2025, HCD-W conducted meetings with the three (3) FSS holders listed below under VA FSS 66-III, CLINICAL ANALYZERS, LABORATORY, COST-PER-TEST, Category 605-3A and 3B for coagulation analyzers:

Clinical Analyzers Category	**Description**	**FSS Contract Holder**	**Socio-Economic Indicator**
Coagulation Analyzers 605-3A	High Maintenance/ Complexity Analyzers	Diagnastic STAGO Siemens Healthcare Diagnostics Werfen USA, LLC	Large Large Large

NOTE: HCD-W conducted a meeting with one (1) additional vendor, Sysmex America, Inc., due to the impending of award of VA FSS 66-III, Category 605-3A for coagulation analyzers, to maximize potential competition.

The feedback received from industry clearly indicated that the coagulation analyzer is considered an essential instrument in a laboratory due to its potential high-volume and ability to perform a vast, diverse, and highly accurate range of tests. As a result of these meetings, it was apparent that only large businesses can fulfill the Government's requirements.

c. Contacting clients, requirement generators, and subject matter experts in the Government regarding the commercial nature of the requirements and standard industry practices in this area of supply and services.

d. Publication of a formal request for information (RFI): On September 16, 2025, RFI 1778369 was posted in GSA eBuy for the HCD-W coagulation analyzer requirements. No responses were received.

e. After discussion with industry and customers, the acquisition strategy changed to open market and the GSA RFI was canceled, directing all interested parties to the SAM.gov RFI. On January 22, 2026, the team posted a second RFI (HT941026Q2004) to SAM.gov, which included a draft Statement of Work with site-specific details. The RFI received four (4) responses. A review of their SAM.gov registrations confirmed that all four (4) respondents are "other than small businesses" under NAICS code 334516 (Analytical Lab Instrument Manufacturing, Size Standard: 1,000 Employees). No responses were received from small businesses.

The results of the RFI posted to SAM.gov garnered zero (0) responses from small businesses and four (4) other than small businesses. The four (4) respondents have been validated as other than small businesses under NAICS code 334516 through a review of the individual business registrations on SAM.gov.

f. Consideration of mandatory sources: Unicor and the AbilityOne Program were reviewed, and no results were found for the necessary reagents, consumables, maintenance, and other related services for coagulation analyzers. The Defense Logistics Agency's Electronic Catalog (ECAT) System was also searched. While some coagulation analyzers and consumable supplies are available in ECAT, the required technical and annual maintenance support services of the equipment are not available in ECAT.

Therefore, sourcing the equipment through ECAT would require the Government to purchase the equipment (vice lease of the equipment), and a separate maintenance contract would be required for the purchased equipment. Due to the life expectancy of coagulation analyzers being between 5-7 years, it would not be cost effective for the Government to purchase the analyzer equipment outright.

Consideration of existing government-wide contracts: Review of the Schedule 66 III Cost-Per-Test, Clinical Laboratory Analyzers, IAW RFO Part 8.104, as a viable contracting vehicle in lieu of developing a new solicitation; however, the significant, main drawbacks are: there are only three (3) vendors holding FSS and due to feedback from the MTFs, there is expected to be greater flexibility in the options available by going open market.

6. Alternative Contracting Approach: HCD-W reviewed several strategic contracts to gain an understanding of opportunities for improvement to determine best practices in delivering coagulation analyzers, reagents, and consumables to MTFs within the HCD-W AOR.

The data shows the following:

- The current/in-place contract actions are all commercial contracts, which provides evidence that the requirements are available in the commercial marketplace.
- None of the current/in-place contract actions were set aside for small business.
- Combining requirements for HCD-W will enable standardization of requirements, modification processes to reduce variation, improve customer service, and reduce costs. Based on the HCD-W consolidated delivery order for clinical hematology analyzers (HT941025FE030) awarded in September 2025, the Government garnered a savings of over 30% through consolidation over the five (5)-year life of the task order and significantly reduced contract administration by streamlining the SOW and invoicing.
- Developing consolidated delivery orders will allow the Government to establish high-level objectives with specific standards and work through interoperability issues across MTFs as necessary to standardize requirements. This level of development is not possible with a lesser degree of consolidation.

The following alternatives were considered:

- Status Quo (continuing with disparate, stand-alone contracts): This approach prevents any meaningful standardization of requirements, clinical processes, or business practices. It fails to leverage the Government's buying power and perpetuates the administrative inefficiencies that currently burden the MTFs and contracting staff.
- Multiple-Award IDIQ: While a multiple-award contract is a standard consolidation tool, market research indicates it is counterproductive. Competing delivery orders would recreate the same administrative burden as the current stand-alone contract actions.
- Consolidated Single-Award Delivery Orders under VA FSS: This solution limits needed flexibility based on the limited three (3) vendors and feedback from the MTFs.
- Consolidated Single Contract Award: This is the optimal solution and establishes the correct balance by consolidating requirements into logical segmented delivery contract that recognize the differences in MTF volumes and ranges of testing while still leveraging the Government's buying power across MTFs. This structure provides three (3) key advantages not offered by the alternatives:
    - Incentivizes Contractor Investment - Guarantees a significant volume of work, making it viable for the contractor to invest in the personnel and processes needed to navigate the burdensome, Government-mandated requirements. Under each individual contract, a contractor might hesitate to build this capability without a guarantee of winning follow-on contracts, exercising options, etc. The consolidated model ensures our partners are capitalized and prepared to navigate these complexities from the outset, directly supporting faster and

more reliable delivery of the coagulation analyzers, reagents, consumables, maintenance, and other related services. This streamlines the contractor's administrative burden and ensures our chosen contractor is fully invested in the mission's success.

- Enables Strategic Management and Reduces Overhead - Consolidating requirements into one (1) single contract allows DHA to standardize requirements, ensuring a higher level of service and technical competence. Additionally, DHA will gain cost efficiencies and implement best practices across the HCD-W AOR – benefits that are impossible to achieve with a lesser degree of consolidation.
- The consolidated single contract model directly reduces the significant Government overhead required to manage multiple contracts. By centralizing these responsibilities with one (1) contractor, the contracting team can shift focus from administrative compliance to actively managing delivery and ensuring mission outcomes. This directly supports the strategic objective of uninterrupted, high-quality continuity of care – which is the ultimate measure of success.

7. Small Business Consideration/Coordination: The Government intends to solicit one (1) single award. The Government does not expect to receive any quotes from SB vendors that can support the CPRR coagulation requirement. The DHA Director of Small Business Programs signed the DD Form 2579, Small Business Coordination Record, on March 4, 2026.

8. Impact of Acquisition Strategy on Small Business: The Government does not expect to receive any quotes from small businesses that can support the coagulation analyzer requirements of the MTFs within the HCD-W AOR. The DHA Director of the Office of Small Business Programs (OSBP) concurred with the DD Form 2579 (Small Business Coordination Record) Control No. SB2026-WM070 for the consolidation of coagulation analyzer requirements on March 04, 2026, and the Small Business Administration (SBA) Procurement Center Representative (PCR) concurred with the 2579 on March 04, 2026.

8. Impact of Acquisition Strategy on Small Business: This acquisition will be conducted utilizing RFO 12. Based on this strategy, there is no anticipated impact on small business concerns. Additionally, no small businesses responded to the RFI posted on GSA eBuy.

DETERMINATION

Based on the findings above, I hereby determine that the proposed consolidation of the coagulation analyzer requirements for the MTFs within the HCD-W AOR is necessary and justified in accordance with RFO 7.107 and 15 U.S.C. § 657q. The benefits of the consolidation of contract requirements substantially exceed the benefits that would be derived from the identified alternative contracting approaches.

An expiration date is not applicable as this determination and findings is not for a class of contracts.

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Enclosures:

(1) Approved Market Research Report for Coagulation Analyzers within the HCD-W AOR
(2) Approved DD 2579 for Coagulation Analyzers within the HCD-W AOR