DEPARTMENT OF VETERANS AFFAIRS

Justification for Single Source Awards IAW RFO 12.201-1
For
Over Micro-Purchase Threshold but Not Exceeding the SAT

Acquisition Plan Action ID: 36C261-26-AP-3776
JOFOC Tracking Number: FY26 - NCO 21 - 1516

1. **Contracting Activity:**

   Department of Veterans Affairs (VA), Veterans Health Administration (VHA), Regional Procurement Office (RPO) West, Network Contracting Office 21 (NCO 21), in support of Veterans Integrated Service Network 21 (VISN 21), Palo Alto Health Care System (VAPAHCS), 3801 Miranda Ave, Palo Alto, CA 94304.

   Purchase Request Number: [redacted]

2. **Brief Description of Supplies/ Services required and the intended use/Estimated Amount:**

   This will be a Firm-Fixed-Price Purchase Order for the procurement of one (1) Magstim Horizon Transcranial Magnetic Stimulation (TMS) System with applicable accessories.

   VA Palo Alto Health Care System (VAPAHCS) requires the purchase of a new Transcranial Magnetic Stimulation (TMS) system as their current TMS system has reached end-of-life and is no longer operable. The purchase of a new device will allow for the continuation of care for Veteran Patients, training for VA Clinical Staff, and Research Project Participation at VAPAHCS.

   Transcranial Magnetic Stimulation (TMS) is a non invasive medical treatment device that uses magnetic pulses to treat mental health disorders such as Major Depressive Disorder (MDD). It acts like a "reset button" for brain areas that are under active by stimulating nerve cells and thus providing a medication-free alternative for patients. TMS is widely used for patients with treatment resistant depression and related conditions.

   Total Estimated Value: [redacted]

3. **Unique characteristics that limit availability to only one source, with the reason no other supplies or services can be used:**

   VA Palo Alto Health Care System (VAPAHCS) requires the purchase of a new Magstim Horizon Transcranial Magnetic Stimulation (TMS) system as their current system has reached end-of-life and is no longer operable. According to VAPAHCS, the Clinical TMS Program has been using Magstim devices for multiple years, dating back to a pilot program in 2017 and as a result multiple research

projects, grants, and clinical studies have been designed and approved utilizing Magstim hardware and software. Switching manufacturers mid-study would invalidate project/grant/study results. In addition to this, Magstim devices come equipped with unique and proprietary coils that may be reused and/or replaced if the overall system reaches end of life (but the coils are still good) or if the coils are exhausted (but the rest of the system remains operable).

Magstim Coils are customizable per use/patient and dual air-cooled via a high-efficiency fan. The incorporation of coil fans eliminates the need for additional time and cost(s) specifically to cool the coils and thus allows for minimal wait times between patients. Controls are located on the actual coil both for ease of use and to ensure correct placement during treatments. The system is capable of rTMS (repetitive Transcranial Magnetic Stimulation), Theta Burst, and customizable treatment protocols. The exact design of Magstim's "Air Cooled Coil Technology," "Dual High-Power Air-Cooling," and "E-z Cool Coil" are all proprietary; as is Magstim Connect, the software which controls the device.

Finally, the Magstim Horizon is the only known TMS system that is designed for both ease of use and portability. The compact, portable design allows the device to be stored and/or utilized in clinical accommodations of virtually any size and transported between treatment rooms and patients as needed. The device is FDA approved to treat Major Depressive Disorder (MDD) in adult and adolescent patients aged 15-21 and is the only known TMS device to be manufactured within the United States of America.

On 06/08/2026 at 1:20PM MST the Contracting Officer spoke with [redacted], Southwest Regional Manager for Welcony and Magstim, Inc. via telephone. [redacted] confirmed that the needed products are manufactured in the United States of America; are typically sold direct, with no authorized distributors and/or resellers; and are unavailable on any existing national contracts (FSS, VA NAC, GSA, etc.) at this time.

According to Magstim's website (www.magstim.com/), the Magstim brand is a division of the Welcony Group; which has four key brands: Magstim, MagstimEGI, Technomed, and Neurosign.

Given the market research completed for this and prior Transcranial Magnetic Stimulation devices; TMS appears to be an emerging, highly competitive, and highly specialized field of medicine with many varied treatment protocols, proprietary systems & accessories, and diverse FDA approvals.

4. Description of market research conducted and results or statement why it was not conducted:

The Food and Drug Administration (FDA) regulates medical devices sold in the United States to assure their safety and effectiveness. Items purchased for use at the Department of Veterans Affairs must be FDA approved.

The Non-Manufacturing Rule does not apply.

According to the NMR Class Waiver Database (June 2022), there is an active waiver in effect for NAICS 334510 Electromedical and Electrotherapeutic Apparatus Manufacturing.

The Limitations on Subcontracting do not apply.

Used the Small Business Administration's (SBA) Dynamic Small Business Search (DSBS) to identify certified capable SDVOSBs and VOSBs.

Conducted a search of SBA's DSBS utilizing NAICS 334510 Electromedical and Electrotherapeutic Apparatus Manufacturing and filters for SDVOSB/VOSB vendors only, which resulted in the identification of 3 SDVOSB / VOSB vendors potentially capable of meeting the Government's need.

Conducted a search of suggested vendor, Magstim, Inc. (MMDHHFM418D8); Magstim, Inc. is not an SBA DSBS certified SDVOSB / VOSB. Magstim, Inc. is a small business under NAICS 334510.

Reviewed the results of recent market research undertaken to meet similar or identical requirements

Extensive market research into available Transcranial Magnetic Stimulation devices was completed under requirement [redacted] for the purchase of a MagVenture MagPro R30.

Sources Sought Notice 36C26126Q0590 was posted under this requirement from 04/09/2026 – 04/24/2026. The Sources Sought Notice resulted in four responses –

- [redacted] – interest only; no product information or capability statement provided.
- [redacted] – Original Equipment Manufacturer (OEM) and sole distributor of the MagPro R30 and applicable accessories (made in Denmark).
- [redacted] – Offering Magstim (made in the United States of America), Neurocare (made in Germany), and Nexstim (made in Finland).
- [redacted] – Offering the Brainsway Deep Transcranial Magnetic Stimulation Machine as an authorized distributor (made in Israel).

A search of the VA National Acquisition Center (NAC) was conducted utilizing keyword(s) "Magstim Horizon" (no results returned), Part Number "6250-00" (no applicable results returned), "Transcranial Magnetic Stimulation" (no results returned), & "TMS" (no results returned).

A search of the VA Supply Chain Master Catalog (SCMC) was conducted utilizing keyword(s) "Magstim Horizon" (no results returned), Part Number "6250-00" (no applicable results returned), "Transcranial Magnetic Stimulation" (no applicable results returned), & "TMS" (no applicable results returned).

A search of General Services Administration (GSA) Advantage was conducted utilizing keyword(s) "Magstim Horizon" (no results returned), Part Number "6250-00" (no applicable results returned), "Transcranial Magnetic Stimulation" (58 results returned), & "TMS" (no applicable results returned).

A search of USASpending.gov was conducted utilizing keyword(s) “Magstim Horizon” (72 results returned, the most recent and applicable are listed in Section 9 Acquisition History), Part Number “6250-00” (no applicable results returned), “Transcranial Magnetic Stimulation” (58 results returned, the most recent and applicable are listed in Section 9 Acquisition History), & “TMS” (59,008 results returned; results narrowed with filters for FY2026, FY2025, & FY2024 only – 6,602 results returned, the most recent and applicable are listed in Section 9 Acquisition History).

5. **Contracting Officer's Certification:** *Purchase is approved in accordance with RFO 12.201-1. I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.*

[redacted]

Contracting Officer

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Date