Notice of Intent to Certify Sole Source

To: Interested Parties

From: Stacy Baldwin Agency Procurement Officer

Date: March 2, 2017

Re: Sole Source Certification Number SS5085 for Baxter Peritoneal Dialysis Cycler disposables and Icodextran fluid

Contact Email Address: solesource@umc.edu

Sole Source Certification Award Details

Regarding UMMC Sole Source Certification Number SS5085 for Baxter Peritoneal Dialysis Cycler disposables and Icodextran fluid, please be advised that UMMC intends to award the purchase of the Baxter Peritoneal Dialysis Cycler disposables and Icodextran fluid to Baxter Healthcare Corporation as the sole source provider of the Baxter Peritoneal Dialysis Cycler disposables and Icodextran fluid.

UMMC issues this notice in accordance with Mississippi state law, policy, and procedures for sole source procurements.

Sole Source Criteria

- 1. Where the compatibility of equipment, accessories, or replacement parts is the paramount consideration (and manufacturer is the sole supplier).
- 2. Where a sole supplier's item is needed for trial use or testing.
- 3. Where a sole supplier's item is to be required when no other item will service the needs of UMMC.

Schedule

Task	Date
First Advertisement Date	March 2, 2017

Second Advertisement Date	March 9, 2017
Response Deadline from Objectors	March 16, 2017, at 3:00 p.m.
	Central Time
Notice of Award/No Award Posted	Not before March 17, 2017

Project Details

1. Describe the commodity that the agency is seeking to procure:

The University of Mississippi Medical Center seeks to continue purchasing disposables used with Baxter peritoneal dialysis cyclers and Icodextran fluid for use in its peritoneal home dialysis program. UMMC currently leases Baxter Home Choice and Baxter Home Choice Pro peritoneal dialysis cycler machines. In addition to the home dialysis program, UMMC also uses the Baxter Home Choice and Baxter Home Choice Pro peritoneal dialysis cycler machines for adult and pediatric inpatients. The disposables used with Baxter peritoneal dialysis cyclers and Icodextran fluid are proprietary to Baxter Healthcare Corporation and the only disposables that may be used with Baxter's cyclers.

2. Explain why the commodity is the only one (1) that can meet the needs of the agency:

The disposables used with Baxter peritoneal dialysis cyclers and Icodextran fluid are proprietary to Baxter Healthcare Corporation and the only disposables that may be used with Baxter's cyclers.

Additionally, Icodextran is an alternative to regular peritoneal dialysis fluid. Icodextran is needed when peritoneal dialysis patients cannot remove fluid. Icodextran can often help remove the fluid without causing harm to the patients. Icodextran is a patented and unique product to Baxter.

3. Explain why the source is the only person or entity that can provide the required commodity:

Baxter Healthcare Corporation is the sole manufacturer and exclusive distributor of these products. See supporting letter from **Baxter Healthcare Corporation**, Attachment A.

- 4. Explain why the amount to be expended for the commodity is reasonable: The estimated amount to be expended is for the purchase of the Baxter Peritoneal Dialysis Cycler disposables and Icodextran fluid is \$5,280,807.02 for the term of the contract. This amount is within the expected price range for these products.
- 5. Describe the efforts that the agency went through to obtain the best possible price for the commodity:

Through market intelligence, UMMC was able to negotiate best pricing for these products. All applicable discounts were explored and applied.

Submission Instructions and Format of Response from Objecting Parties

Interested parties who have reason to believe that the **Baxter Peritoneal Dialysis Cycler disposables and Icodextran fluid** (hereafter, "Products") should not be certified as a sole source should provide information in the Vendor Form for the State to use in determining whether or not to proceed with awarding the sole source to **Baxter Healthcare Corporation**. The Vendor Form may be found at

http://www.dfa.state.ms.us/Purchasing/documents/ObjectiontoSoleSourceDetermination.pdf.

Objections must include the certification in Attachment B.

Comments will be accepted at any time prior to Thursday, March 16, 2017, at 3:00 p.m. (Central Time) to <u>solesource@umc.edu</u>. Responses may be delivered via email to <u>solesource@umc.edu</u>. UMMC WILL NOT BE RESPONSIBLE FOR DELAYS IN THE DELIVERY OF RESPONSES. It is solely the responsibility of the Interested Parties that responses reach UMMC on time. Responses received after the deadline and responses that lack all required information will be rejected. UMMC reserves the right to inspect Interested Party's commodity for comparison purposes.

If you have any questions concerning the information above or if we can be of further assistance, please contact <u>solesource@umc.edu</u>.

Attachment A: Vendor Correspondence Attachment B: Objection Certification



Attachment A

Baxter Healthcare Corporation Renal Division One Baxter Parkway Deerfield Illinois 60015 Fax: 224-948-2183

January 18, 2017

Attn: Blakeney E. Smith, MHS Senior Contract Administrator University of Mississippi Health Care 2500 N. State Street Jackson, Mississippi 39216

Per your request this letter serves as confirmation that Baxter Healthcare Corporation is the sole source manufacturer and provider in the United States for the Baxter Renal Products, including Prismaflex, Amia/Homechoice, and Icodextrine. The Prismaflex and Homechoice PD disposables are proprietary to Baxter cyclers and not available through distributors or resellers.

Please contact me at (224) 948-6922 if I can be of additional assistance.

Sincerely,

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Lori Burchard Senior Business Operations Analyst Medical Products-Renal

SUBMITTED IN RESPONSE TO Sole Source Certification No. SS5085 Accepted until March 16, 2017, at 3:00 p.m.

I certify that the information contained in this objection is true and accurate to the best of my knowledge. I understand that UMMC will investigate all statements made in this objection and that any false or misleading information provided may result in adverse action.

> Objector Name Objector's title

Date