Department of Veterans Affairs
Veterans Health Administration
Washington, DC 20420

M-2, Part I
Chapter 32

January 2, 1992

1. Transmitted is a revision to the Department of Veterans Administration, Veterans Health Administration Manual M-2, "Clinical Affairs," Part I, "General," Chapter 32, "VA Standardization of Healthcare Items and Consolidated Equipment Program." Brackets have not been used to indicate the changes.

2. Principal changes are:

a. Chapter title have been changed to "VA Standardization of Healthcare Items and Consolidated Equipment Program."

b. Paragraph 32.01: Subparagraph a has been added.

c. Paragraph 32.03: Subparagraphs c and d have been added.

d. Paragraph 32.04: Subparagraphs c and d have been added.

e. Paragraph 32.05: Subparagraphs e through g have been added.

f. Paragraph 32.06: Subparagraphs e through h have been added.

g. Paragraph 32.07: Subparagraphs e through i have been added.

3. Filing Instructions

Remove pages	Insert pages
32-i through 32-2	32-i through 32-4

4. RESCISSION: M-2, part I, chapter 32, dated December 15, 1989.

James W. Holsinger, Jr., M.D.
Chief Medical Director

Distribution: RPC: 1216 is assigned
FD

Printing Date: 1/92

CONTENTS

CHAPTER 32. VA STANDARDIZATION OF HEALTHCARE ITEMS AND CONSOLIDATED EQUIPMENT PROGRAM

32-2

M-2, Part I January 2, 1992
Chapter 32

CHAPTER 32. VA STANDARDIZATION OF HEALTHCARE ITEMS AND CONSOLIDATED EQUIPMENT PROGRAM

32.01 POLICY

a. It is the policy of VA (Department of Veterans Affairs) to consolidate procurement of equipment items to the extent practicable to ensure the provision of high quality acquisition and property management support for VA medical facilities in the most cost-effective and efficient manner possible.

b. As required by Public Law 100-322, Veterans' Benefits and Services Act of 1988, the VA (Department of Veterans Affairs) will standardize medical and pharmaceutical items to the maximum extent possible in order to ensure the provision of high quality acquisition and materiel management support for VA medical facilities in the most cost effective and efficient manner possible.

32.02 GENERIC DRUGS

Generic pharmaceutical items will be utilized in the VA healthcare system unless the Chief Medical Director:

a. Determines, after consultation with the Commissioner of the Food and Drug Administration, that an equivalent generic item is not available, or

b. Determines that the procurement of a brand name item is necessary in the interest of effective patient care.

32.03 FUNCTIONS

a. VHA (Veterans Health Administration) shall establish a committee to analyze and approve candidate items for possible standardization and will play a proactive role in the identification of items for inclusion in the Standardization Program.

b. The VA Marketing Center, OA&MM (Office of Acquisition and Materiel Management), will act as a conduit for identifying candidate items to be considered for standardization by VHA. Mechanisms available for identification purposes may include ADP usage data, recommendations based on Consolidated Procurement experiences, and User Group recommendations (see par. 32.07).

c. VHA shall establish a committee to analyze and approve candidate items for possible consolidated equipment procurement and will be proactive in identifying items for inclusion in the Consolidated Equipment Procurement Program.

d. VA Marketing Center, OA&MM (Office of Acquisition and Materiel Management), will act as a conduit for identifying candidate items to be considered for

32-3

M-2, Part I January 2, 1992
Chapter 32
consolidated procurement. Mechanisms available for identification purposes may include field facility surveys, Replaced Item Report (Equipment), recommendations based on consolidated procurement experiences, and user group recommendations.

32.04 ESTABLISHMENT OF COMMITTEES

a. A committee responsible for standardization of consumable items will consist of VHA representatives from VA Central Office and field staff, including technical

32-4

M-2, Part I January 2, 1992
Chapter 32
representatives of using services. Primary responsibility of this group will be to assist in the recommendation of items and the review and approval of proposed Marketing Actions.

b. A medical equipment standardization committee will consist of VHA program officials, Bio-medical Engineering representatives from the Office of Facilities and representatives from OA&MM. This committee will assist in recommending specific equipment for standardization and in developing the essential features and characteristics of the equipment. This forum will also be responsible for reviewing and approving proposed Marketing Actions.

c. A committee responsible for a consolidated equipment procurement program effort will consist of VHA representatives from VA Central Office and field staff, including technical representatives of using services. Primary responsibility of this group will be to assist in the recommendation of items and the review and approval of proposed marketing actions.

d. A medical equipment standardization committee will consist of VHA program officials, Bio-medical Engineering representatives from the Office of Facilities, and representatives from OA&MM. This committee will assist in recommending specific equipment for standardization which will result in a consolidated procurement effort VA-wide. This committee will also assist in developing the essential features and characteristics of the equipment. This forum will also be responsible for reviewing and approving proposed marketing actions.

32.05 GENERAL PROCEDURES

a. The VA Marketing Center shall identify candidate items to be standardized for consideration by VHA.

b. The VA Marketing Center shall provide a characteristics matrix for candidate items with recommendations for approval to VHA. This matrix shall include, but not be limited to, data such as item nomenclature, national stock number(s), potential annual sales, anticipated annual savings, size, color, capacity, material, packing, packaging, cost and using activity. VHA shall coordinate with other cognizant program officials, and approve or disapprove the recommendations for standardization. The approval shall be forwarded to OA&MM. If the recommendation is disapproved, VHA shall either:

(1) Forward recommended changes to OA&MM for incorporation in a new matrix and/or formulation of new recommendations, or

(2) Provide justification for the disapproval.

c. Once approved, the VA Marketing Center shall initiate the acquisition process.

32-5

M-2, Part I January 2, 1992
Chapter 32

d. The Director, VA Marketing Center, shall announce VHA approved standardized products to the field. The announcement shall include a directive that use of the standardized product is mandatory for all VA facilities.

e. VA Marketing Center shall identify candidate equipment items to be consolidated for procurement and recommend to VHA for consideration.

f. VA Marketing Center shall provide a characteristics matrix for candidate equipment items with recommendations for approval to VHA. This matrix shall include, but not be

32-6

M-2, Part I January 2, 1992
Chapter 32
limited to, data such as item description, national stock number(s), potential volume for annual procurement, anticipated annual savings, size, color, capacity, material, packing, packaging, cost, and using activity. VHA shall coordinate with other cognizant program officials and approve or disapprove the recommendations for consolidated procurement. The approval shall be forwarded to OA&MM. If the recommendation is disapproved, VHA shall either:

(1) Forward recommended changes to OA&MM for incorporation in a new matrix or formulation of new recommendations, or

(2) Provide justification for the disapproval.

g. Once approved, VA Marketing Center shall initiate the appropriate acquisition process. The Director, VA Marketing Center, shall announce VHA approved consolidated procurement items to the field. The announcement shall include a directive that procurement of the approved "consolidated" equipment contract is mandatory for all VA facilities.

32.06 DEVIATIONS

a. Although use of standardized items shall be mandatory, circumstances may require deviations from their use. To ensure program effectiveness, any deviations from established VA standardized products will require justification.

b. Medical center directors have final decision-making authority in matters pertaining to deviations.

c. Requests for deviations should be prepared by the user, clearly identifying the National Stock Number and item nomenclature, supporting documentation, and justification, including quantity and cost.

d. The information will be presented to the appropriate medical center director for action, with a copy of all approved deviations furnished to the Director, VA Marketing Center.

e. Although use of the consolidated equipment contracts shall be mandatory, circumstances may require deviations from their use. To ensure program effectiveness, any deviations from established VA consolidated equipment contracts will require justification.

f. Medical center directors have final decision-making authority in matters pertaining to deviations.

g. Requests for deviations should be prepared by the user, clearly identifying the national stock number (or VA category stock number) and item description, supporting documentation, and justification, including quantity and cost.

32-7

M-2, Part I January 2, 1992
Chapter 32
h. The information will be presented to the appropriate medical center director for action, with a copy of approved deviations furnished to the Director, VA Marketing Center.

32.07 USER GROUPS

a. Proper identification of healthcare items for potential standardized usage requires direct user input. These efforts, in conjunction with trends derived from market research

32-8

M-2, Part I January 2, 1992
Chapter 32
performed by materiel managers, provide a strong information base to support program recommendations. The formulation of User Groups will assist in the development of various Marketing Actions.

b. These groups will be composed of healthcare personnel whose primary purpose is the delivery of direct and indirect medical services. The groups will make appropriate recommendations based on the personal experience and knowledge of their respective professions.

c. The name of a single representative for each dedicated group will be submitted by each Regional Director to the Director, VA Marketing Center (904B), P. O. Box 76, Hines, IL 60141. Tenure in these groups will be based on a 2-year commitment.

d. At least one annual meeting will be held at the Marketing Center for each User Group. These meetings will be organized by the Marketing Center and funded by VHA.

e. Proper identification of equipment items for potential consolidated procurement requires direct user input. These efforts, in conjunction with trends derived from market research performed by property managers, provide a strong information base to support program recommendations. The formulation of user groups will assist in the development of various marketing actions.

f. These groups will be composed of healthcare personnel whose primary purpose is the delivery of direct and indirect medical services. The groups will make appropriate recommendations based on their personal experience and knowledge.

g. The name of a single representative for each dedicated group will be submitted by each Regional Director to the Director, VA Marketing Center (904B), P.O. Box 76, Hines, IL 60141. Tenure on these groups will be based on a 2-year commitment.

h. At least one annual meeting will be held at the Marketing Center for each user group. These meetings will be organized by the Marketing Center and funded by VHA.

i. The user groups established to identify potential standardized usage of healthcare items in accordance with VHA Manual M-2, part I, chapter 32, may also serve to identify equipment items for potential consolidated equipment procurement.

32-9