

Contact: Andrea Anania

UNIVERSITY OF IOWA EQUIPMENT PURCHASE

Action Requested: Consider approval for the University of Iowa to purchase four Elekta Incorporated VersaHD (High Dosage) Linear Accelerators and four service contracts for \$16,800,000.

Executive Summary: Equipment purchases at the Regent institutions costing more than \$1 million are required by Board policy to be approved by the Board of Regents.

DESCRIPTION OF THE EQUIPMENT

Linear accelerators are used in radiation oncology to deliver photons and electrons for the treatment of cancer and other diseases.

This equipment is requested by the University of Iowa Hospitals and Clinics (UIHC) Department of Radiation Oncology for Radiation Therapy to replace physically and technologically outdated linear accelerators that have reached the end of their useful clinical life.

JUSTIFICATION OF THE NEED FOR THE EQUIPMENT

The University reports that:

The useful life of a linear accelerator is 8-10 years. The existing linear accelerators were installed in 2005 and are all the same model, Siemens Oncor. Siemens discontinued linear accelerator production a few years ago, thus the linear accelerators are nearing obsolescence.

- ▶ Technical issues consistent with the age of the linear accelerators have begun to occur. These issues cause interventions to be needed multiple times per week in order to maintain stable beam outputs.

In order to continue exceptional care for Radiation Oncology patients, the linear accelerators will be installed over a four-year period. This will allow the Radiation Oncology Department to replace one machine at a time, leaving three linear accelerators to continue treating patients.

- ▶ The installation of new, state-of-the-art Elekta VersaHD linear accelerators for the Department of Radiation Oncology will position UIHC to meet the continuing growth in requests for radiation therapy treatments and better serve patients within Iowa and surrounding regions.

The Elekta VersaHD equipment offers Volumetric Modulated Arc Therapy (VMAT), which reduces the duration of certain treatments from 10-12 minutes to 3-5 minutes.

The VersaHD also features kilovoltage cone beam computed tomography (kV-CBCT), which will enable the acquisition of high-quality three-dimensional images of patients which show more enhanced soft tissue interfaces while delivering 3-5 times less radiation dose per image to patients.

- ▶ If the equipment is not replaced, physicians and patients will not receive the benefits available through technical and clinical treatment improvements and continuing to use the existing equipment will result in increased repair costs.
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ANY KNOWN ALTERNATIVES TO THE EQUIPMENT PROPOSED

A formal Request for Proposal (RFP) was issued for linear accelerators. The RFP was structured to include multiple linear accelerators and service contracts to gain advantages in equipment pricing, maintenance, and training. Out of the four responses received, the Evaluation Committee determined the Elekta Incorporated proposal was responsive and the value provided was in the best interest of the University.

ESTIMATED COST AND SOURCE OF FUNDING

The cost for four VersaHD linear accelerators and four service contracts is \$16,800,000. The four linear accelerators are \$2,550,000 each (\$10,200,000). The VersaHD equipment amount is discounted 63% off the list price grouped as a special bundle offered by Elekta Incorporated. The service contract is \$6,600,000 and runs through 2024.

The source of funding is UIHC capital equipment acquisition funds.

Board Policy: Chapter 7.06B(12) of the Regents Policy Manual requires that:

- ▶ Equipment costing more than \$1,000,000 must be submitted to the Board for approval; and
- ▶ Requests submitted to the Board Office for approval must include the following information:
 - ◆ Description of the equipment;
 - ◆ Justification of the need for the equipment;
 - ◆ Any known alternatives to the equipment proposed; and
 - ◆ Estimated cost and source of funding.