

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

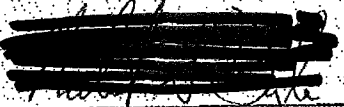
Other Than Full and Open Competition

1. Contracting Activity: Justification for Other than Full and Open Competition on behalf of Department of Veterans Affairs, NCO 1, VA New England Healthcare System, Network Consolidated Laboratory, NCL 113. Funding for the base period of this procurement action has been committed on 2237 523-13-1-2768-0005.
2. Nature and/or Description of the Action Being Processed: The contract action to be approved is a sole source award of an indefinite delivery indefinite quantity contract for blood products and services to NCO 1. This is a follow on contract for critical blood products and services. The resultant IDIQ contract will be a base plus four year contract with an aggregate value of \$14,000,000.00.
3. Description of Supplies/Services Required to Meet the Agency's Needs: Blood Products and service to include but not limited to Leuko Reduced Red Blood Cells, Fresh Frozen Plasma, Pooled Cryoprecipitate, and Leuko Reduced Platelets. In addition to blood products, reference lab testing is a required ancillary service within the network and therefore part of this requirement. All sites in NCO 1 need the availability of reference services for red cell serology, STAT antibody identification, antigen negative units, heterologous absorption, HLA Services, Autologous and directed donor service and Platelet Immunology services. The blood related services include complete processing, testing, and storing which will be performed outside the VA facilities. Platelet Inventory Management Program will be located at the Veterans Affairs Medical Center, West Haven, CT campus.
4. Statutory Authority Permitting Other than Full and Open Competition: 41 USC Sec. 253(c) as implemented by FAR 6.302.
☒ (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
☐ (2) Unusual and Compelling Urgency per FAR 6.302-2;
☐ (3) Industrial Mobilization, Engineering, Developmental or Research Capability or Expert Services per FAR 6.302-3;
☐ (4) International Agreement per FAR 6.302-4;
☐ (5) Authorized or Required by Statute FAR 6.302-5;
☐ (6) National Security per FAR 6.302-6;
☐ (7) Public Interest per FAR 6.302-7;
5. Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority): American Red Cross is the current provider of blood products and services in Massachusetts, Maine, New Hampshire, Vermont and Connecticut. Rhode Island requirements can occasionally be met through one other contractor when there is a shortage of needed units from American Red Cross. The proposed contractor has a reference testing service and can provide STAT/holiday/weekend/unscheduled deliveries within one hour of notification. This one hour turn-around time is required and has been endorsed by VA Central Office for facilities performing complex surgeries. (Several sites within the VA New England Healthcare System perform complex surgery and this turn-around time a firm requirement of the

contract.) Further, the Department of Veterans Affairs has announced two prior solicitations for blood products and services on behalf of the New England Healthcare System. In both instances, offers resulted from two companies, to include American Red Cross. The only other contractor who submitted a proposal has subsequently sold its' whole blood collection business to American Red Cross and said acquisition conveyed to the New England Healthcare System on July 12, 2011. Refreshed market research has been conducted by way of a Sources Sought synopsis resulting in a response from one interested vendor, however said vendor is not a blood bank but rather a blood brokerage firm that will not be able to meet reference testing services outlined in the requirements.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable: Market Research has been conducted under GSA Schedule and within VetBiz. There are no schedule holders capable of supplying the products and services required for the New England Healthcare System. A review of VetBiz indicates that there are two companies with the applicable NAICS code, however, neither company has the reference testing services required and are not geographically located in the northeast making the turn-around times unachievable. As previously stated, refreshed market research has been conducted by way of a Sources Sought synopsis posted to FBO on November 29, 2012 resulting in one submission by a vendor in the industry, however said vendor is not a blood bank and will not be able to meet the reference testing services required in the network.
7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable: In accordance with FAR 15 procedures, a price analysis will be conducted by comparison of the pricing offered by American Red Cross to the independent government estimate and the Producer Price Index. Pricing will be negotiated, if necessary, to make a reasonableness determination.
8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted: Market Research has been conducted under GSA Schedule and within VetBiz. There are no schedule holders capable of supplying the products and services required for the New England Healthcare System. A review of VetBiz indicates that there are two companies with the applicable NAICS code, however, neither company has the reference testing services required and are not geographically located in the northeast making the turn-around times unachievable. As previously stated, refreshed market research has been conducted by way of a Sources Sought synopsis posted to FBO on November 29, 2012 resulting in submission of a capability statement from one other interested vendor. A technical review of the capability statement was conducted and the vendor is not a blood bank and does not have the reference testing services required within the network. Further, the capability statement included information that stat blood requirements could be met utilizing a portfolio of vendors and delivered via a courier service. This approach would jeopardize the one hour turn around requirement for medical centers within the network that perform complex surgeries.
9. Any Other Facts Supporting the Use of Other than Full and Open Competition: Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: ~~XXXXXX LLC~~, a blood brokerage firm expressed interest in this acquisition. There are no other facts, other than those outlined in Sections 5, 6 and 8 above, which support the use of Other than Full and Open Competition.
10. A Statement of the Actions, if any, the Agency May Take to Remove or Overcome any Barriers to Competition before Making subsequent acquisitions for the supplies or services required: NCO 1 will continue to encourage full and open competition whenever possible. Open competition will be solicited when products and services can meet the requirements of the network.

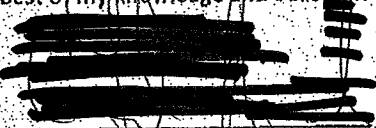
- d. VHA HCA Review and Approval: I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and recommend approval (if over \$10million) or approve (\$500K to 10 million) for other than full and open competition.


Norbert S. Doyle
Chief Procurement and Logistics Officer
VHA Head of Contracting Activity (HCA)

Date

2/20/13

- e. VA Deputy Senior Procurement Executive Approval (over \$10 million but not exceeding \$50 million): I have reviewed the foregoing justification and find it to be complete and accurate to the best of my knowledge and belief and approve for other than full and open competition.


C. FORD HEARD
Deputy Senior Procurement Executive (DSPE)
Office of Acquisition and Logistics
Department of Veterans Affairs

Date

3/5/13

11. **Requirements Certification:** I certify that the requirement outlined in this justification is a Bona Fide Need of the Department of Veterans Affairs and that the supporting data under my cognizance, which are included in the justification, are accurate and complete to the best of my knowledge and belief.

~~BRIDGWOOD, AAS~~
~~Program Manager, Network Consolidated Laboratory~~
Date
12/31/12

12. **Approvals in accordance with FAR 6.304**

- a. **Contracting Officer's Certification (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

~~Mary J. Connors~~
Mary J. Connors
Contracting Officer
NCO 1

Date
12/31/12

- b. **NCM/PCM (Required \$3K and above):** I certify the justification meets requirements for other than full and open competition.

~~[Signature]~~
Acting Network Contract Manager
NCO 1

Date
1/9/13

- c. **SAO (if over 500K):** I certify the justification meets requirements for other than full and open competition.

~~[Signature]~~
Director
Service Area Office, East

Date
2/8/2013