

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. **Contracting Activity:** The Minneapolis VA Contracting Office is pursuing this sole source emergency procurement for the Department of Veterans Affairs, VISN 23, Nebraska-Western Iowa VA Health Care System (NWIVAHCS) utilizing a Request for Proposal (RFP) under FAR 6.302-2, unusual and compelling urgency, purchase request number, 636-13-2-4087-0026 (1358 Payment Process).
2. **Nature and/or Description of the Action Being Processed:** This is an emergency procurement for a new firm, fixed-price Basic Ordering Agreement (BOA) with the Hillcrest Nursing Home in McCook, Nebraska. The subject requirement is being pursued as an emergency procurement based on the justifications outlined below.
3. **Description of Supplies/Services Required to Meet the Agency's Needs:** This BOA is for nursing home services. The Independent Government Contract Estimate (IGCE) is \$348,500. The performance period shall be from approximately August 1, 2013 to July 31, 2014 with one (1) 6-month extension which extension is allowed pursuant to FAR 52.217-8.
4. **Statutory Authority Permitting Other than Full and Open Competition:**
 - () (1) Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements per FAR 6.302-1;
 - (X) (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):** The Nebraska VA currently has no nursing homes in Red Willow County, Nebraska for which it contracts. Red Willow County is an underrepresented geographic area in the VA's Nebraska Community Nursing Home (CNH) program. The Nebraska VA urgently requires a VA-contracted nursing home in this area because, presently, VA-eligible veteran patients are awaiting admission to a VA-contracted facility in this area. No other offers are being sought here, because we urgently require a nursing home in this vicinity and we need to place and pay for these awaiting patients, since it is not in the best interest of quality medical care for veterans to be moved away from friends and family. The VA practice is that they should be able to stay in the geographical area where they have lived. Indeed, VHA Handbook 1143.2, "VHA Community Nursing Home Oversight Procedures" (June 4, 2004) paragraph 2(a), provides that, "[f]or more than 35 years, the [Community Nursing Home] CNH program has maintained...some level of patient choice in choosing a nursing home close to a veteran's family..."

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable: No other offers were sought, for the reasons stated in #5, above.
7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable: Costs are pre-established by the Federal government in the form of Medicare rates for rural locales in the State of Nebraska.
8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted: No other offers were sought for the reasons outlined in #5, above..
9. Any Other Facts Supporting the Use of Other than Full and Open Competition: N/A
10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition: See Section 6 above.
11. 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: N/A
12. 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.

Colleen Donovan

Name: Colleen Donovan

Title: Contracting Officer Representative

Facility: Nebraska-Western Iowa VA Health Care System

18 July 2013

Date

13. 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.

Arlene Jorgensen Hillestad

Name: Arlene Jorgensen Hillestad

Title: Contracting Officer

Facility: Minneapolis VA

July 19, 2013

Date

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



SANDRA MCANANY

NCO 23 Facilities Contract Manager - Minneapolis

9/30/2013

Date

Market Research Report

Emergency Procurement for Hillcrest Nursing Home Basic Ordering Agreement (BOA)

The Nebraska-Western Iowa VA Health Care System (NWIVAHCS)

1. **Objective:** The objective is to conduct an emergency sole source procurement for a nursing home services Basic Ordering Agreement (BOA) with Hillcrest Nursing Home in McCook, Nebraska utilizing a Request for Proposal (RFP) for the Nebraska-Western Iowa VA Health Care System (NWIVAHCS) under FAR 6.302-2, unusual and compelling urgency.
2. **Background:** The Statement of Work in the BOA provides that the nursing home shall ensure the Contractor shall provide CNH services to beneficiaries at the contractor's facility for whom such care is specifically authorized by the Nebraska-Western Iowa VA Health Care System (NWIVAHCS). The Contractor shall meet the health needs and promote the maximum well-being of VA patients. The Contractor shall ensure the total medical, nursing, and psycho social needs of VA beneficiaries. The Contractor shall provide Physician visits, laboratory, x-ray, and other special services for VA patients are at the same frequency as that provided to other patients at the nursing home receiving the same or comparable level of care. The Contractor shall motivate and educate patients to achieve and maintain independence in the activities of daily living. The Contractor shall keep patients ambulatory to achieve an optimal level of self care.
3. **Market Research Sources:** Community Nursing Home(CNH) program personnel at the NWIVAHCS have been a primary source for nursing home care research at the NWIVAHCS. The NWIVAHCS indicates which nursing homes it desires to execute new BOAs with. The CNH team also indicates whether a BOA renewal is appropriate for any nursing home (community nursing home) that is presently a part of the CNH nursing home program.
4. **Market Research Findings:** This procurement shall be an emergency sole source Request for Proposals (RFP) pursuant to Federal Acquisition Regulations, FAR 6.302-2 (Unusual and Compelling Urgency), under NAICS code 623110, Nursing and Residential Care Facilities, size standard \$25.5 million. Many nursing homes are non-profit organizations or large corporations, so that a full and open procurement is often necessary to acquire as many quality nursing homes as is possible in both rural and urban areas so as to better service veterans and their families, friends and relatives that support the veterans while veterans are in nursing homes.

However, the Nebraska VA currently has no nursing homes in Red Willow County, Nebraska for which it contracts. Red Willow County is an underrepresented geographic area in the VA's Nebraska Community Nursing Home (CNH) program. The Nebraska VA urgently requires a VA-contracted nursing home in this area because, presently, VA-eligible veteran patients are awaiting admission to a VA-contracted facility in this area. No other offers are being sought here, because we urgently require a nursing home in this vicinity and we need to place and pay for these awaiting patients, since it is not in the best interest of quality medical care for veterans to be moved away from friends and family. The VA practice is that they should be able to stay in

the geographical area where they have lived. Indeed, VHA Handbook 1143.2, "VHA Community Nursing Home Oversight Procedures" (June 4, 2004) paragraph 2(a), provides that, "[f]or more than 35 years, the [Community Nursing Home] CNH program has maintained...some level of patient choice in choosing a nursing home close to a veteran's family..."

5. **Customary Commercial Terms and Conditions:** The contract vehicle shall be a Basic Ordering Agreement (BOA) for one (1) year with a 6-month extension. The nursing home requirement is a services BOA which contains a wage determination, Medicare rates, Statement of Work, etc.

6. **Market Price:** Medicare rates which are established by the Federal government will be used for nursing home services under these BOAs. Medicare rural rates for Nebraska will obviously be used here.

The Independent Government Cost Estimate (IGCE) for the 1-year BOA that we seek with Hillcrest is: \$348,500.00.

7. **Acquisition History:** The previous procurement was an RFP on the open market. The full and open method for competition was the best possible pursuit for this procurement, because we need the breadth of what the unrestricted market place has to offer for the placement of veterans in nursing homes in both rural and urban areas of Iowa.

8. **Other pertinent information:** Continued placement of a difficult to place patient is at issue here.

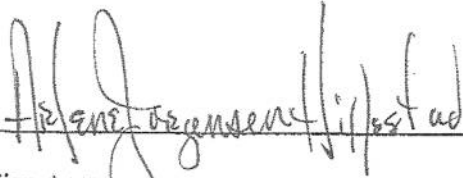
9. **Recommendations:** The recommendation is to conduct the procurement as an unusual and compelling urgency, FAR 6.302-2, RFP with a resulting BOA as the objective herein.

Prepared by:

Colleen Donovan
Signature

Name: Colleen Donovan
Title: Contracting Officer Representative
Facility: Nebraska-Western Iowa VA Health Care System

Date: 18 July 2013


Signature

Name: Arlene Jorgensen Hillestad
Title: Contracting Officer
Facility: Minneapolis VA Health Care System

Date: July 19, 2013