

JUSTIFICATION FOR A SOLE SOURCE AWARD
UNDER THE TEST PROGRAM FOR CERTAIN COMMERCIAL ITEMS

1. Contracting Activity: Department of Veterans Affairs
Office of Acquisition Operations
Strategic Acquisition Center



2. Nature and/or Description of Action Being Processed:

The proposed action is for award of a sole source three month firm fixed-price purchase order in the amount of \$649,615.00 for the continuation of accreditation services for VHA Medical Facilities. There are seven hospital accreditations, out of cycle surveys, and 1/12th of the required annual publication fees expiring during this time frame that are imperative to renew. The Joint Commission (TJC), 1 Renaissance Blvd, OakBrook Terrace, IL 60181-4294, is the only company that can maintain VHA's accreditation while a competitive follow on action is being processed. Pursuant to The Services Acquisition Reform Act of 2003 this requirement is defined as a commercial item. This requirement is being procured under FAR 13.5 Test Program for Certain Commercial Items utilizing simplified acquisition procedures for awarding sole source. In addition to using simplified acquisition procedures, the special documentation requirements of 13.501 (a) have been followed including preparing a sole source justification using the format at 6.303-2 and making the justification publically available required by 13.501 (a)(1)(iii) within 14 days after contract award.

3. Description of Supplies or Services Required to Meet the Agency's Needs:

The proposed action is to ensure VHA continues the requirement to have its Home Care, Long Term Care, Behavioral Health Care, Ambulatory Care, and Hospital Programs undergo an accreditation process whereby a professional association or non-governmental agency grants recognition to the healthcare institution for demonstrated ability to meet pre-determined criteria for established standards. VA's policy (VA Handbook 1100.16) states that its "medical facilities are to be accredited by TJC in order to ensure that certain standards of quality and safety are met." Hospital accreditation also mandates compliance with health care quality, pay or standards both public (e.g., Medicare) and commercial. In addition, the Accreditation Council of Graduate Medical Education (ACGME) requires that health care organizations sponsoring or participating in ACGME (residency) programs be accredited by TJC or another recognized body with reasonably equivalent standards.

The accreditation process is a complex system of related and interdependent activities. It includes pre-survey activities (e.g., application, self-assessment submission, the accreditation survey itself), post survey activities (e.g., communication of and response

to survey findings), and ongoing activities (e.g., quality data submission). It involves unannounced accreditation surveys which occur, on average, every 3 years but may fall at any time between 18 – 39 months from the last survey, with an additional 5 percent of all programs undergoing a random off-cycle survey. For-Cause Surveys can also be performed for “Quality Events,” which occur when complaints are received and attention is directed at specific concerns with care. As a result of varying timeframes for surveys, the possibility of random surveys, and the possibility of For-Cause Surveys is an absolute imperative.

In order to ensure proper and on-going accreditation services VA requires the following services:

- Dedicated Corporate Account Representative and backup – purpose is to ensure consistency and continuity throughout the accreditation process.
- On-Site Surveys – purpose to assess standards compliance by conducting patient and system tracers.
- In order to achieve accreditation, VHA medical facility and Ambulatory Health Care Systems require an accreditation provider to focus on:
 - National Patient Safety Goals.
 - Patient-Focused Functions, including Ethics; Rights and Responsibilities; Provision of Care, Treatment, and Services; Medication Management; Surveillance, Prevention, and Control of Infection.
 - Organization Functions, including Improving Organization Performance; Leadership; Management of the Environment of Care; Management of Human Resources; and Management of Information.
 - Structures with Functions, including Medical Staff and Nursing.
 - Performance Measurement (Process and Outcomes).

Accreditation not only confers recognition that Health Care Organizations meet certain standards of quality and safety, but also confers deemed compliance with the health care quality standards of payors, both public and commercial.

This purchase order includes the below surveys:

HCO ID	HCO Name Full Surveys	Unit Price
HCO 2417	VA Healthcare System of Ohio-Cincinnati Campus	
HCO 4602	Spokane	
HCO 2502	VA San Diego Healthcare System	
HCO 2869	Marion IL	
HCO 4557	Mountain Home, TN	
HCO 25	VA Southern Nevada healthcare System	
HCO 4537	VA Mediscal Center Fayetteville, NC	
	Subtotal Full Surveys	
	Out-of-Cycle Surveys	
	1-Day Single Surveyor	
	Out of-Cycle Surveys	
	2-Day, Multi Surveyor	
	Multi-Surveyor	
	Subtotal Out-Of-Cycle Surveys	
	Publications and Fees	
	January Hard Copy Publications	
	January e-Copy Publications	
	January Annual Fees	
	Orientation and Summation	
	Subtotal of Publications	
	TOTAL	649,615.00

4. Statutory Authority:

Pursuant to The Services Acquisition Reform Act of 2003 this requirement is defined as a commercial item. This requirement is being procured under FAR 13.5 Test Program for Certain Commercial Items utilizing simplified acquisition procedures for awarding sole source. In addition to using simplified acquisition procedures, the special documentation requirements of 13.501 (a) have been followed including preparing a sole source justification using the format at 6.303-2 and making the justification publically available required by 13.501 (a)(1)(iii) within 14 days after contract award.

5. Rationale for Authority:

This sole source purchase order to TJC will ensure that there will not be a break in accreditation support. A break in accreditation would be detrimental to the VA medical facilities accreditation program. TJC is currently providing accreditation services to the VA in all aspects of accreditation-related activities that are offered and conducted on a

continuous basis. There are currently one hundred seventy nine accredited VHA facilities [One hundred forty Hospitals, nineteen Ambulatory Centers, thirteen Laboratories, and seven CMOPS]. It is imperative that services and accreditation continue which can only be provided by TJC at this time. Any delay in this support would leave "gaps" in accreditation, which would raise congressional interest on the quality of patient care that is being provided by a medical facility when it is not accredited.

Losing accreditation violates several training agreements with other organizations which results in a significant loss of workforce. The loss of workforce would ultimately effect and delay care to veterans.

Only TJC has the required background, knowledge, and experience that are critical to the successful completion of accreditation in the timeframe needed.

6. Actions to Increase Competition:

An intent to Sole Source was posted to (FBO) on October 30, 2013. Additionally, this Justification and Approval document will be posted within 14 days after contract award in accordance with FAR 13.501 (a)(1)(iii).

Additionally, a sources sought announcement was published to FBO for the follow on effort. Three vendors responded and participated in Vendor Industry Days. Capability statements were presented on: August 27, 2013, August 28 2013 and September 11, 2013. The market research concluded that the follow on effort will be competed full and open.

7. Market Research:

An intent to Sole Source was posted to (FBO) on October 30, 2013. Additionally, this Justification and Approval document will be posted within 14 days after contract award in accordance with 13.501 (a)(1)(iii).

Based on the market research for the follow on contract, the Government's technical team experts have determined that only The Joint Commission can perform the services for this action in the time frame needed to ensure continuous quality support to our veterans. However, the follow on contract will be competed full and open.

8. Any Other Facts Supporting the Use of Other than Full and Open Competition:

While conducting market research for the follow on effort, all companies contacted indicated that there would be an extensive transition period to transfer contracts.

9. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:

There are no companies that have expressed interest or are capable of meeting this effort due to the transition period required. Three companies have expressed interest in the follow on effort and provided capability statements. The three companies were: Joint Commission, Healthcare Facilities Accreditation Program, Det Norsek Veritas Healthcare.

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:

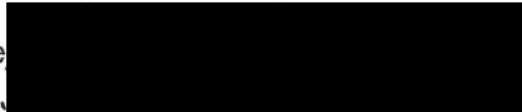
An intent to Sole Source was posted to (FBO) on October 30, 2013. Additionally, this Justification and Approval document will be posted within 14 days after contract award in accordance with 13.501 (a)(1)(iii).

The Strategic Acquisition Center is working with the Program Office to conduct a competitive follow on acquisition for Healthcare Accreditation Services.

11. Technical and Requirements Certification:

I certify that the supporting data under my recognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Signature



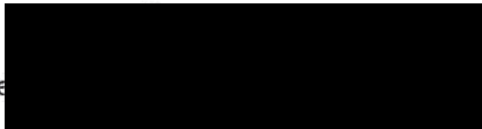
Date: October 31, 2013

External Accreditation Services and Programs

12. Fair and Reasonable Cost Determination:

The Contracting Officer anticipates that through comparison of the proposed price with prices found reasonable on previous purchases, current price lists, and the independent government estimate will determine the price fair and reasonable.

Signature



Date Oct 31 2013

Contracting Officer

13. Contracting Officer's Certification:

I certify that this justification is accurate and complete to the best of my knowledge and belief. As this contract does not exceed \$650,000.00, the certification below required by FAR 13.501 (a)(2)(i) serves as approval.

Signature

A solid black rectangular box redacting the signature of the Contracting Officer.

Date Oct 31 2013

Contracting Officer