



DEPARTMENT OF VETERANS AFFAIRS
Strategic Acquisition Center
10300 Spotsylvania Ave
Fredericksburg, VA 22408

LIMITED SOURCE JUSTIFICATION
RFQ VA119-14-Q-0146

1. Contracting Activity

Department of Veterans Affairs
Office of Acquisition Operations, Strategic Acquisition Center
10300 Spotsylvania Avenue, Suite 400
Fredericksburg, VA

2. Nature of Action Being Approved: This limited source justification and approval sets forth the facts and requests approval for the establishment of a sole source Blanket Purchase Agreement (BPA), for the procurement of Clinical Enterprise Videoconferencing Network (CEVN) and Clinical Video Teleconferencing (CVT) Equipment and Help Desk Support and Maintenance services. The proposed term of this BPA is 12 months. The estimated value of this BPA is \$49,914,179.28. This effort is being conducted under the authority of the Multiple Award Schedule Program. The proposed effort will be established under GSA FSS Schedule 70, Category 132-8, 132-12, 132-34, and 132-51 to Iron Bow Technologies, LLC, 4800 Westfields Boulevard, Suite 300, Chantilly, VA 20151.

3. Description of Services and Supplies: The purpose of this requirement is for the Department of Veterans Affairs (VA), Veterans Health Administration (VHA) to continue to procure equipment and sustain the uninterrupted maintenance and help desk support of the CEVN, which is used to deliver healthcare services to Veterans via CVT. CVT is defined as the use of real-time interactive video conferencing, sometimes with supportive peripheral technologies, to assess, treat and provide care to a Veteran remotely. CVT links the patient(s) at a clinic or at home to the provider(s) at another location through video connectivity such as webcam or tablet. CVT encompasses a wide variety of clinical applications such as specialty and primary care. It is essential that seamless support be in place until a current competitive requirement can be established.

The original contract vehicle was put in place in FY 2010. Following successful implementation and positive outcomes of telehealth services, the Secretary of VA directed an unprecedented expansion of VHA telehealth services (Expansion Initiative) in May 2011. The expansion required additional telehealth equipment and its associated maintenance and help desk support because of an increased and unanticipated demand for its use by medical professionals. The Secretary approved additional funding to VISNs to strengthen VA's telehealth network of equipment and staffing during FY 2011 and 2012. In FY 2012, the Telehealth Expansion Initiative was integrated as part of the Telehealth Sub-Initiative within the T21 New Models of Care framework and increased the number and types of clinical services available to Veterans in their local communities that were not provided in those locations by VA previously. In FY 2013, continued funding was provided to VISNs to support telehealth staffing and clinical operations. The primary focus of the Expansion Initiative was

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Clinical Video Telehealth that enabled VA clinicians, typically based at VA Medical Centers, to provide care using real-time video technologies to Veteran patients who receive their health care from VA community based outpatient clinics in their local communities. There was an immediate focus on providing more access to primary and specialty care services and reduced travel for both Veterans and VA clinicians, especially in rural areas. As a result, Veterans, at home or in VA primary care clinics, used telehealth technology to access specialty care services including: Amputation Care, Audiology, Cardiology, Dental Care, Dermatology, Gastrointestinal/Hepatitis Care, Genomic Counseling, Intensive Care, Kinesiology, Mental Health MOVE (Weight Management.), Neurology, Nutrition, Retinal Imaging, Occupational Therapy, Pain Management, Pathology, Podiatry, Poly-trauma Care, Primary Care, Pulmonology, Rehabilitation, Spinal Cord Injury Care, Surgery (Pre- and Post-Care), Transplant (Pre- and Post-), Women's Health and Audiology.

The original contract vehicle was one year with 4 one year option periods, starting October 1, 2010. As a consequence of this unprecedented and unanticipated demand for telehealth equipment by the VHA medical community, the previous contractual vehicle for telehealth equipment and services was determined to have reached a ceiling. This effort prematurely expired September 30, 2013. Additionally, the current equipment maintenance task order expires August 31, 2014 and the task order for the enterprise-wide help desk support, which is critical to ensure proper functioning of all telehealth equipment deployed through the medical community, expires on December 31, 2014. The maintenance and help desk support agreements service for approximately 50,000 pieces of equipment, including over 40,000 peripheral devices and over 8,500 video conferencing codec devices. In addition to the hardware and peripheral devices, CVT middleware supported by the same contract allows the Veteran to use their personal web cam or tablet device at home to access their VA provider behind the VA firewall, ensuring private and safe VA healthcare delivery through video into the home. Should the CVT contract vehicle (BPA) lapse, the patient is left without ready healthcare access. This is particularly true for Veterans in rural and remote locations.

Coordination of all the maintenance and help desk support for the already deployed telehealth hardware and middleware is extremely complex because of the various types of clinical equipment, integration of this equipment with videoconferencing equipment and carts, as well as the diverse locations of the equipment throughout the United States to include Guam and Puerto Rico. Any lapse in contracting, effectively ending VA's comprehensive maintenance service and national help desk, as well as the ability to procure new equipment, would severely damage VA's patient-centered telehealth services. VA requires uninterrupted help desk support, maintenance, and the ability to procure new equipment while a longer term competitive contract is pursued.

4. **Statutory Authority:** This acquisition is conducted under the authority of the Multiple-Award Schedule Program. The specific statutory authority providing for a limited source justification is FAR 8.405-6(a) (1) (i) (B) Only one source is capable of providing the supplies or services required at the level of quality required because the supplies or services are unique or highly specialized.

5. **Rationale Supporting Use of Authority Cited Above:** It is critical that VA have a

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contractual vehicle in place to purchase CEVN equipment for CVT and that maintenance and support services for the Telehealth CEVN Program remain uninterrupted and seamless during the time period in which the agency solicits for the procurement competitively. The only reasonable and viable solution to avoid an interruption in the services and the shutdown of the Telehealth CEVN program is to establish a BPA for the period of one year to the incumbent Iron Bow Technologies, LLC. Iron Bow Technologies possesses the specialized experience to continue to procure equipment and provide maintenance and help desk support services without a break in service. The Telehealth Network is complex and diverse as it involves many clinical disciplines and spans enterprise-wide. In order to provide the level of service required to procure, maintain, and provide help desk support for the varied range of equipment located throughout the country, Iron Bow is required to deliver customized solution delivery to advanced integration of complex, multi-disciplined systems. This requirement is to support and expand VA's existing network for telehealth comprised in part of more than 8,800 videoconferencing codec devices and 40,000 peripheral scopes, cameras, etc., operating out of more than 150 VA medical centers and 650 VA clinics providing access to VA healthcare by more than 200,000 Veterans. These VA sites and telehealth equipment are supported by VA single National Telehealth Technology Help Desk that is staffed by a team of contractors who have been equipped and trained appropriately with Government Furnished Equipment, and VA privacy and information security requirements to seamlessly support the registration of the equipment and components onto VA national network, the initiation and continuation of the service and warranty for each device, the troubleshooting, repair and or replacement for each device. A new vendor cannot replace Iron Bow in terms of comprehensive device offering of VA-OIT-and-Telehealth-approved devices; integration of the clinical and videoconferencing devices; nor comprehensive technical support through a help desk staff that has been appropriately vetted and trained to support VA's national telehealth network. Knowledge of the breadth of the telehealth system is required in order to immediately provide the strategic insight that ensures the highest standards of IT performance critical to ensure the telehealth equipment is maintained in a manner to ensure proper health care of Veterans.

Awarding to a new contractor would require a significant learning curve to become familiar with the existing inventory of telehealth systems and the various maintenance and help desk services required, before services could be immediately provided. Specifically, a new awardee would be required to hire and train new employees, while obtaining security credentials. VA would need to appropriately equip and train new help desk staff to enable their access to VA network for support of VA end users. Additionally, a new awardee would need to compile and centralize the various maintenance agreements. It is estimated by the Government subject matter experts that it will take a new contractor a minimum of four months to complete VA background checks, comply with Health Insurance Portability and Accountability Act (HIPAA) and VA Privacy Act and receive credentials necessary to perform the services for all the various locations involved in the Telehealth program. There are four maintenance agreement cycles (1. Clinical Video Telehealth CVT Into the Home middleware maintenance agreement; 2. Clinical Video codec maintenance Agreement; 3. Clinical Video cart and peripheral maintenance Agreement; 4. Clinical Video tablet maintenance Agreement) that a new vendor would inherit from the Iron Bow. The new vendor would need to transition and understand what is included and covered in each of the four separate but related Service Agreement

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contracts. The new vendor would need to understand and ensure renewal option dates and deadlines. This would ensure that there are no gaps in service for the existing and expanding inventory of telehealth technology. The new vendor would then need to work with Telehealth Services to move all four Service Agreements to a single renewal time frame (e.g. end of August for all Service Agreement renewals) to simplify this one aspect of support for the national Clinical Video Enterprise Network. Iron Bow Technologies is the only responsible source that can provide the critical services to ensure that there is not a break in services while the new longer competitive action is being procured.

Interrupted services would have a deleterious effect on the health and wellbeing of Veterans who access VA healthcare through telehealth services nationwide. Veterans who are homebound would not be able to be serviced timely. This could result in serious injury and prolonged appointment wait times due to the understaffed VA Hospitals. Equipment malfunctions will cause Veterans to be without medical care. Veterans nationwide and their caregivers cannot afford travel and time from work for travel to and from VA Medical Centers to access care. The loss of Telehealth Services could result in the loss of life or limb.

6. Efforts to Obtain Competition: Market research efforts were conducted via FSS vendor websites to determine if competition is viable for this action. There are other sources available for this requirement, but only Iron Bow Technologies possesses the specialized experience to prevent an interruption of maintenance and services. Additionally, in accordance with FAR 5.301 and 8.405-6(a) (2), this action will be synopsisized at award on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available.)

7. Actions to Increase Competition: The Strategic Acquisition Center is in the process of developing a long term competitive contract vehicle for CEVN Telehealth Services. The establishment of a one year effort will allow the VA to conduct the follow on Competitive effort, which is complex due to the wide variety of clinical applications and the coordination of various VISNs and health professionals throughout VHA necessary for this initiative. The current milestone schedule for the competitive effort includes the issuance of a Sources Sought Notice in June 2014. This Sources Sought Notice (RFI) will post to the Government Point of Entry via the Federal Biz Ops website. The solicitation (RFQ) for CEVN Telehealth Services is planned to be released September 2014. The anticipated establishment of the competitive BPA is on or about April 2015. Upon establishment of the BPA, the new awardee, if not the incumbent, will require a ramp up time of four months, further supporting the requirement of the 12 month BPA to ensure there is no loss of support for the existing Telehealth equipment. The BPA will not be used in the event that the follow on contract vehicle is in place prior to expiration of the 12 month contract vehicle. This will also ensure that medical professionals will continue to have the ability to procure equipment when in their medical judgment it is required for the appropriate care of Veterans.

The intent is to establish a Single Firm Fixed Price Blanket Purchase Agreement for one base year and four option years against a GSA schedule as a small business set-aside. The solicitation for the long term solution shall be provided to as many schedule contractors as

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practicable under GSA FSS Schedule 70, Category 132-8, 132-12, 132-34, and 132-51 to reasonably ensure that quotes are received from at least three contractors that can fulfill the requirement. The long term contract solution is valued at \$309M. The long term solution is anticipated to be established on or before April 2015.

8. Description of Market Research: Market research efforts were conducted via FSS vendor websites to determine if competition was viable for this action. Although there are other contractors generally capable of providing the type of equipment and services needed, Iron Bow is the only source that can ensure there is no interruption of services while the competitive action is being procured. No other source can provide services with the employee background check and credential process readily established and most importantly any other source would require a learning curve based upon transitioning of new employees which would prevent the ability of a new contractor to immediately commence performance upon establishment of the contract vehicle. Consequently no other source would be able to fulfill the Government's critical requirement to ensure the Telehealth Program continues without a break in service while the longer competitive action is being pursued. An interruption in the Telehealth program would cause potential hardships to Veterans; especially the Veterans that are home bound and can only receive immediate medical care through the use of this Telehealth network. The follow on competition will be solicited to as many GSA FSS Schedule 70 contractors that are available.

9. Any other facts supporting the justification: There are no other supporting facts.

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Technical and Requirements Certification:

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

Signature: Suzanne Snider
Suzanne Snider
CEVN Program Analyst/COR

Date: 5/28/2014

Fair and Reasonable Cost Determination:

I hereby determine that the proposed contract action will represent the best value to the Government consistent with FAR 8.404(d) and certify that this justification is accurate and complete to the best of my knowledge and belief.

Signature: nsky@va.gov
Digitally signed by
michael.busan
DN: cn=michael.busan, o=va.gov
Date: 2014.05.28 16:04:45 -0400
Date: 28 MAY 2014
Vicki L. Whiteman
Procuring Contracting Officer
Michael D. Busan

Legal Sufficiency Certification:

I have reviewed this justification and find it adequate to support other than full and open competition and deem it legally sufficient.

Signature: Maura Brown
Maura Brown
Legal Counsel
Date: May 29, 2014

Approval

In my role as Office of Acquisition Operations, Head of Contracting Activity, based on the foregoing justification, I hereby approve the acquisition of Clinical Enterprise Videoconferencing Network (CEVN), on an other than full and open competition basis pursuant to the statutory authority cited above, subject to availability of funds, and provided that the property and services herein described have otherwise been authorized for acquisition.

Signature: Phillip Brown
Head of Contracting Activity
Office of Acquisition Operations

Date: 6/9/14