

Attachment 2:

DEPARTMENT OF VETERANS AFFAIRS

Justification and Approval

For

Other Than Full and Open Competition

1. **Contracting Activity:** Department of Veterans Affairs, VISN 11, National Center for Patient Safety, 799-15-1-307-0001.

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

A Sole Source Justification for a Firm-Fixed Price Purchase Order for service and maintenance of PolyAnalyst software from Megaputer Intelligence.

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

Megaputer Intelligence, 1600 West Bloomfield Rd Suite E, Bloomington, IN 47403 shall provide technical support including maintenance and services of PolyAnalyst to the National Center for Patient Safety from Oct. 1, 2014 -- Sept. 30, 2015. The cost of this support services is \$55596.00

4. **Statutory Authority Permitting Other than Full and Open Competition:**

- (x) (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;

The statutory authority permitting other than full and open competition is 41 U.S.C.253(c)(1) as implemented by the Federal Acquisition Regulation (FAR) Subpart 6.302-1 entitled, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."

5. **Demonstration that the Contractor's Unique Qualifications or Nature of the Acquisition Requires the Use of the Authority Cited Above (applicability of authority):**

Megaputer Intelligence's PolyAnalyst text mining software is a proprietary application that has been used by VA's National Center of Patient Safety (NCPS) since 2007. The graphical user interface design of the software tool allows both casual users to do impromptu research on text data from the NCPS patient safety database, and super-users to develop script programs to perform deeper and repeatable analyses of the text information.

NCPS has invested 6-years towards becoming proficient users of the PolyAnalyst software. Many supporting program scripts are in place supporting ongoing projects of both internal and external clients. Megaputer has also worked with NCPS to design functionalities that solve specific needs not recognized by NCPS as initial requirements for text-mining software. In particular, a case management ability has been designed into the software allowing categorization of case reports by software modeling to be reviewed by human and if necessary easily overridden and put into alternative categories by human click and drag action.

Ancillary programs have been written at NCPS to aid in the design and construction of taxonomy structures that complements usage of PolyAnalyst. Complex taxonomies templates created, or already exist as legacy work, outside of PolyAnalyst can be algorithmically marked-up into a language that is recognized by PolyAnalyst in an uploading process. The process produces taxonomies that are identical to those that would normally be manually produced within PolyAnalyst. This is a marriage of NCPS development with the PolyAnalyst software that produces unique abilities to categorize our data.

This specialized analytical software (PolyAnalyst) is only available from a single source, Megaputer. Award to any other source would result in a substantial duplication of cost (in software, training, conversion of existing work, and learning curve) to the Government having already incurred 6-years of current research and development by VA's National Center for Patient Safety (NCPS) with this product. Further, it is expected that the duplication cost will not be recovered through the competitive process which will result in unacceptable delays towards fulfilling NCPS's requirements.

6. Description of Efforts Made to ensure that offers are solicited from as many potential sources as deemed practicable:

Solicitation was not completed due to the proprietary nature of this application. This application is only available through Megaputer Intelligence.

7. Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable:

According to prices paid by the general public (Annual license: 5 Analytical Clients for named users - \$20,000 and Annual Maintenance & Support contract: \$59,405.), the full annual charge for PolyAnalyst client license + maintenance & support would be \$79,405. The vendor has given us a discounted price of \$55,596.00.

8. Description of the Market Research Conducted and the Results, or a Statement of the Reasons Market Research Was Not Conducted:

Solicitation was not completed due to the proprietary nature of this application. This application is only available through Megaputer Intelligence.

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

None

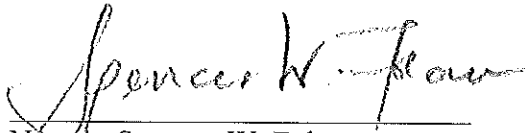
10. Listing of Sources that Expressed, in Writing, an Interest in the Acquisition:

Megaputer Intelligence, 1600 West Bloomfield Road, Suite E, Bloomington, IN 47403.

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:

Megaputer was encouraged to seek a SEWP contract for its software.

- 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.



Name - Spencer W. Folau
Title - CIO
Facility - NCPS

9. 26. 14

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.

Name
Title
Network 11 Contract Office

Date

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

Name
NCM/Supervisory Contract Specialist (as appropriate)
Network 11 Contract Office

Date